



U. S. DEPARTMENT OF ENERGY
STRATEGIC PETROLEUM RESERVE
PROJECT MANAGEMENT OFFICE
NEW ORLEANS, LA



SOLICITATION DE-RP96-02PO92207

MANAGEMENT AND OPERATION

OF THE

STRATEGIC PETROLEUM RESERVE

[Table of Contents](#)



**SOLICITATION
DE-RP96-02PO92207**

**MANAGEMENT AND OPERATION
OF THE
STRATEGIC PETROLEUM RESERVE**

TABLE OF CONTENTS

PART I - THE SCHEDULE

Section A	Solicitation/Contract Form
Section B	Supplies or Services and Prices/Costs
Section C	Statement of Work
Section D	Packaging and Marking
Section E	Inspection and Acceptance
Section F	Deliveries or Performance
Section G	Contract Administration Data
Section H	Special Contract Requirements

PART II – CONTRACT CLAUSES

Section I	Contract Clauses
-----------	------------------

**PART III – LIST OF DOCUMENTS, EXHIBITS AND OTHER
ATTACHMENTS**

Section J	List of Documents, Exhibits and Other Attachments
-----------	---

PART IV – REPRESENTATIONS AND INSTRUCTIONS

Section K	Representations, Certifications and Other Statements of Bidders/Offerors
Section L	Instructions, Conditions and Notices to Offerors
Section M	Evaluation Factors for Award



**Department of Energy
Strategic Petroleum Reserve Project Management Office
900 Commerce East
New Orleans, Louisiana 70123**

June 13, 2002

Prospective Offerors:

This letter transmits Request for Proposal (RFP) No. DE-RP96-02P092207 entitled "Management and Operation of the Strategic Petroleum Reserve." The Strategic Petroleum Reserve Project Management Office (SPRPMO) of the U. S. Department of Energy (DOE) is requesting interested and qualified firms to submit proposals and compete for the award of a contract to manage and operate the SPR facilities in Louisiana and Texas. The contract resulting from this RFP will be a Management and Operating contract as defined in Federal Acquisition Regulation Part 17.6 and DOE Acquisition Regulation part 917.6. The objective of this RFP is to select the offeror best capable of managing and operating the SPR.

This letter provides only an executive summary of the salient elements of the RFP; it is not an integral part of the RFP and, in the event of any conflict between this letter and the RFP, the RFP will prevail. Offerors are cautioned to examine carefully the entire RFP, including the draft contract, and the requirements contained therein.

Proposals are due not later than 2:00 p.m. Central time on August 14, 2002 (reference Part IV, Section L. 25 of the RFP). DOE requires both written information and oral presentations as part of the Offeror's proposal. The proposal preparation instructions are described in Part IV, Section L. Any costs associated with the preparation of your proposal are to be borne by your firm and will not be reimbursed by the Government.

The Government contemplates award of a cost-plus-award-fee performance based management and operating contract resulting from this solicitation. The Government intends to evaluate proposals without discussions with Offerors (except clarifications as described in FAR 15.306(a)). Therefore, the Offeror's initial proposal should contain the Offeror's best terms from a cost or price and technical standpoint. The Government reserves the right to conduct discussions if the Government later determines them to be necessary. The contract period is anticipated to be five years from April 1, 2003 through March 31, 2008, preceded by a transition period of two months. The contract includes options for contract extensions such that, based on Contractor performance, the Government could extend the Contract without competition through March 31, 2013.

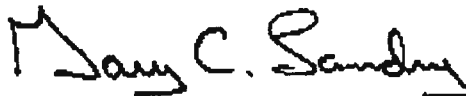
The Total Available Fee will be negotiated annually between the Contractor and the Government. The Total Available Fee shall be established considering the level of complexity, difficulty, cost effectiveness, and risk associated with specific objectives/incentives defined in the Performance Evaluation and Measurement Plan. The Fee process is defined in Part I, Section B.

The Department of Energy (DOE) expects the contractor to manage and operate the Strategic Petroleum Reserve in an efficient and effective manner. To this end, the contractor will be provided an incentive to achieve significant cost reduction without adversely affecting the level of performance required by the contract. (See Clause H.12)

It is the Department's intent to ensure that the Contractor Human Resource Policies adequately support the Contractor's ability to attract and retain critically skilled employees. Therefore, the Department plans to reach an advance understanding on Contractor human resources with the successful Offeror during the transition period. The advance understanding will enable both the Offeror and the DOE to determine allocability, allowability and reasonableness of costs prior to incurrence, thereby avoiding subsequent disallowance and disputes; provide appropriate and reasonable compensation levels to recruit and retain Contractor employees to meet DOE mission objectives; and assure prudent expenditure of public funds. Areas covered by the advance understanding will include compensation, welfare benefits, labor relations, retirement plans, training, educational assistance, awards programs, employee assistance, and paid leave and holidays. It is planned that the advance understanding will be appended to the Contract.

A Source Evaluation Board (SEB) will evaluate proposals. The SEB will submit its findings to the Source Selection Official for final selection. Proposals will be evaluated in accordance with the specific evaluation criteria delineated in Part IV, Section M, of the RFP and applicable DOE procurement policies and procedures.

Sincerely,

A handwritten signature in black ink that reads "Gary C. Landry". The signature is written in a cursive, slightly stylized font.

Gary C. Landry
Contracting Officer

FE-4451 (AQuern)

Enclosures

SOLICITATION, OFFER AND AWARD		1. THIS CONTRACT IS A RATED ORDER UNDER DPAS (15 CFR 350)		RATING		PAGE OF 1		PAGES 148	
2. CONTRACT NO.		3. SOLICITATION NO. DE-RP96-02PO92207		4. TYPE OF SOLICITATION <input type="checkbox"/> SEALED BIG (IFB) <input checked="" type="checkbox"/> NEGOTIATED (RFP)		5. DATE ISSUED June 13, 2002		6. REQUISITION/PURCHASE NO. 96-02PO92207.000	
7. ISSUED BY Department of Energy Strategic Petroleum Reserve 900 Commerce Road, East New Orleans, LA 70123				8. ADDRESS OFFER TO (If other than Item 7)					

NOTE: In sealed bid solicitations "offer" and "offeror" mean "bid" and "bidder".

SOLICITATION

9. Sealed offers in original and See Sec. L copies for furnishing the supplies or services in the Schedule will be received at the last place specified in Item 8, or if handcarried, in the depository located in See Section L, 25 until 2:00 p.m. central time August 14, 2002
(Hour) (Date)

CAUTION - LATE Submissions, Modifications, and Withdrawals: See Section L, Provision No. 52.214-7 or 52.215-10. All offers are subject to all terms and conditions contained in this solicitation.

10. FOR INFORMATION CALL		A. NAME Gary Landry		B. TELEPHONE NO. (Include area code) (NO COLLECT CALLS) (504) 304-4015 Email: gary.landry@sprseb.com	
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11. TABLE OF CONTENTS

(✓)	SEC.	DESCRIPTION	PAGE(S)	(✓)	SEC.	DESCRIPTION	PAGE(S)
PART I - THE SCHEDULE				PART II - CONTRACT CLAUSES			
X	A	SOLICITATION/CONTRACT FORM	1	X	I	CONTRACT CLAUSES	14
X	B	SUPPLIES OR SERVICES AND PRICES/COSTS	3	PART III - LIST OF DOCUMENTS, EXHIBITS AND OTHER ATTACH.			
X	C	DESCRIPTION/SPECS./WORK STATEMENT	13	X	J	LIST OF ATTACHMENTS	21
X	D	PACKAGING AND MARKING	0	PART IV - REPRESENTATIONS AND INSTRUCTIONS			
X	E	INSPECTION AND ACCEPTANCE	1	X	K	REPRESENTATIONS, CERTIFICATIONS AND OTHER	19
X	F	DELIVERIES OR PERFORMANCE	3	X	L	STATEMENTS OF OFFERORS	
X	G	CONTRACT ADMINISTRATION DATA	3	X	M	INSTRS., CONDS., AND NOTICES TO OFFERORS	50
X	H	SPECIAL CONTRACT REQUIREMENTS	13	X	M	EVALUATION FACTORS FOR AWARD	7

OFFER (Must be fully completed by offeror)

NOTE: Item 12 does not apply if the solicitation includes the provisions at 52.214-16, Minimum Bid Acceptance Period.

12. In compliance with the above, the undersigned agrees, if this offer is accepted within 210 calendar days (60 calendar days unless a different period is inserted by the offeror) from the date for receipt of offers specified above, to furnish any or all items upon which prices are offered at the price set opposite each item, delivered at the designated point(s), within the time specified in the schedule.

13. DISCOUNT FOR PROMPT PAYMENT (See Section 1, Clause No. 52-232-8)		10 CALENDAR DAYS %	20 CALENDAR DAYS %	30 CALENDAR DAYS %	CALENDAR DAYS %
14. ACKNOWLEDGMENT OF AMENDMENTS (The offeror acknowledges receipt of amendments to the SOLICITATION for offerors and related documents numbered and dated:		AMENDMENT NO.	DATE	AMENDMENT NO.	DATE
15A. NAME AND ADDRESS OF OFFEROR		CODE	FACILITY	16. NAME AND TITLE OF PERSON AUTHORIZED TO SIGN OFFER (Type or print)	
15B. TELEPHONE NO. (Include area code)		<input type="checkbox"/> 15C. CHECK IF REMITTANCE ADDRESS IS DIFFERENT FROM ABOVE - ENTER SUCH ADDRESS IN SCHEDULE.		17. SIGNATURE	18. OFFER DATE

AWARD (To be completed by Government)

19. ACCEPTED AS TO ITEMS NUMBERED		20. AMOUNT		21. ACCOUNTING AND APPROPRIATION	
22. AUTHORITY FOR USING OTHER THAN FULL AND OPEN COMPETITION: <input type="checkbox"/> 10 U.S.C. 2304(c) () <input type="checkbox"/> 41 U.S.C. 253(c) ()				23. SUBMIT INVOICES TO ADDRESS SHOWN IN (4 copies unless otherwise specified)	
24. ADMINISTERED BY (If other than Item 7)		CODE	25. PAYMENT WILL BE MADE BY CODE		
26. NAME OF CONTRACTING OFFICER (Type or print) Gary C. Landry				27. UNITED STATES OF AMERICA (Signature of Contracting Officer)	
				28. AWARD DATE	

IMPORTANT - Award will be made on this Form, or on Standard Form 26, or by other authorized official written notice.

PART I – THE SCHEDULE

SECTION B
SUPPLIES OR SERVICES AND PRICES/COSTS

SECTION C
STATEMENT OF WORK

SECTION D
PACKAGING AND MARKING
RESERVED

SECTION E
INSPECTION AND ACCEPTANCE

SECTION F
DELIVERIES OR PERFORMANCE

SECTION G
CONTRACT ADMINISTRATION

SECTION H
SPECIAL CONTRACT REQUIREMENTS

SECTION B

SUPPLIES OR SERVICES AND PRICES/COSTS

	<u>Page No.</u>
<u>B.1 SERVICES BEING ACQUIRED</u>	B-1
<u>B.2 TRANSITION COST, ESTIMATED COST, MAXIMUM AVAILABLE FEE, AND AVAILABLE FEE</u>	B-1
<u>B.3 OBLIGATION OF FUNDS</u>	B-3
<u>B.4 AVAILABILITY OF APPROPRIATED FUNDS</u>	B-3
<u>B.5 CONTRACT VALUE</u>	B-3
<u>B.6 ALLOWABILITY OF SUBCONTRACTOR FEE</u>	B-3

SECTION B

SUPPLIES OR SERVICES AND PRICES/COSTS

B.1 SERVICES BEING ACQUIRED

The Contractor shall, in accordance with the terms of this contract, provide the personnel, equipment, materials, supplies, and services, (except as may be furnished by the Government) and otherwise do all things necessary for, or incident to managing and operating, in an efficient and effective manner, the Government-owned Strategic Petroleum Reserve facilities located in Louisiana and Texas, as described in Section C, Statement of Work, or as may be directed by the Contracting Officer within the scope of this Contract.

B.2 TRANSITION COST, ESTIMATED COST, MAXIMUM AVAILABLE FEE, AND AVAILABLE FEE

(a) Transition Cost

The transition period (February 1, 2003 to March 31, 2003) will be on a cost reimbursement basis and the estimated costs are \$_____ (TBD). (to be proposed by Offeror, see paragraph L.5.) **There will no fee paid for the transition period.**

(b) Estimated Cost

The Estimated Costs for the contract (Base plus option years) are included in the table at paragraph B.5 by Fiscal Year.

(c) Fee:

(1) The Estimated Fee Base as defined in Department of Energy Acquisition Regulations (DEAR 970.15) for the period April 1, 2003 through September 30, 2003, and all subsequent Fiscal Years (including option years) is listed in Column B of the chart below. Unless the Estimated Fee Base for the period April 1, 2003 through September 30, 2003, or a subsequent fiscal year deviates by more than plus or minus 10% from the Estimated Fee Base set forth in Column B of the chart below, the Maximum Available Fee for the period April 1, 2003 through September 30, 2003, and each subsequent FY shall not exceed the Maximum Available Fee offered by the Contractor set forth in Column D of the chart below. (to be proposed by Offeror, see paragraph L. 5.)

(2) In the event the Estimated Fee Base for the period April 1, 2003 through September 30, 2003, or any subsequent fiscal year deviates more than plus or minus 10% from the Estimated Fee Bases set forth in Column B of the chart

below, a new Maximum Available Fee for the fiscal year will be calculated by multiplying the maximum fee for the revised fee base allowed in accordance with DEAR 970.15 by the percentage set forth in Column E of the chart below.

(3) The Available Fee will be negotiated annually (or any other period as may be mutually agreed to between the parties) between the Contractor and the Government. The Available Fee will be equal to or less than the Maximum Available Fee offered. The Available Fee shall be established considering the level of complexity, difficulty, cost effectiveness, and risk associated with specific objectives/incentives defined in the Performance Evaluation and Measurement Plan (PEMP). Higher or lower levels of complexity, difficulty, cost effectiveness, and risk will correspondingly allow a higher or lower available fee. The portion of this Available Fee defined as award fee versus performance-based incentives will be determined for each period during the negotiation of the requirements in the PEMP. In the event the parties are unable to reach agreement on the Available Fee amount, the Government reserves the right to unilaterally establish the Available Fee amount. The Contract will be modified to reflect the Available Fee for each period.

(4) Pursuant to Section H provision entitled "Work Authorization System" and the approved FY 2003 budget, the Performance Areas for the period April 1, 2003 through September 30, 2003 are set forth in the PEMP.

(5) The Fee Base and Maximum Available Fee by FY are provided below:

A	B	C	D	E
Fiscal Year	Estimated Fee Base	Maximum Available Fee Calculated from DEAR	Maximum Available Fee (Offered by Contractor)	Percent of Maximum Available Fee Calculated from DEAR Offered by Contractor
FY 2003 (6 mos.)	\$63,963,900	\$4,569,174	\$	%
FY 2004	\$122,144,200	\$8,844,469	\$	%
FY 2005	\$113,300,800	\$8,621,751	\$	%
FY 2006	\$122,569,000	\$8,950,428	\$	%
FY 2007	\$116,760,400	\$8,744,264	\$	%
FY 2008	\$118,462,800	\$8,763,186	\$	%
FY 2009	\$121,364,000	\$8,857,791	\$	%
FY 2010	\$124,424,600	\$8,955,965	\$	%
FY 2011	\$127,036,000	\$9,048,250	\$	%
FY 2012	\$129,703,200	\$9,142,574	\$	%
FY 2013 (6 mos.)	\$66,213,000	\$4,619,394	\$	%

B.3 OBLIGATION OF FUNDS

The amount of funds obligated under this contract, in accordance with the Contract Clause entitled "Obligation of Funds", is \$ TBD.

B.4 AVAILABILITY OF APPROPRIATED FUNDS

The duties and obligation of the Government hereunder calling for the expenditure of appropriated funds shall be subject to the availability of funds appropriated by the Congress, which the Department of Energy may legally spend for such purposes.

B.5 CONTRACT VALUE

The contract value consisting of the estimated costs and negotiated fee by fiscal year (base plus option) is set forth below:

Fiscal Year	Estimated Costs	Performance Fee	TOTAL
Transition Period 2/1/03 – 3/31/03	\$TBD	\$0	\$ 0.00
FY 2003 (6 mos.)	\$61,486,500	\$TBD	\$
FY 2004	\$113,451,000	\$TBD	
FY 2005	\$108,479,000	\$TBD	
FY 2006	\$116,189,000	\$TBD	
FY 2007	\$111,877,000	\$TBD	
FY 2008 (6 mos.)	\$56,225,500	\$TBD	
TOTAL (Base Period)	\$567,708,000	\$TBD	
FY 2008 (6 mos.)	\$56,225,500	\$TBD	
FY 2009	\$114,813,000	\$TBD	
FY 2010	\$117,225,000	\$TBD	
FY 2011	\$119,685,000	\$TBD	
FY 2012	\$122,198,000	\$TBD	
FY 2013 (6 mos.)	\$62,381,500	\$TBD	

B.6 ALLOWABILITY OF SUBCONTRACTOR FEE

All fees to be paid to members of a Contractor team, including affiliates, identified in the offer must be included in the available fee payable under Clause B.2. The term affiliate is defined as, associated business concerns or individuals if, directly or indirectly (1) either one controls or can control the other; or (2) a third party controls or can control both. A "Contractor Team Arrangement", as used in the FAR, means an arrangement in which (1) Two or more companies form a partnership or joint venture to act as a potential prime contractor; or (2) A potential prime contractor agrees with one or more other companies to have them act as its subcontractors under a specified Government contract or acquisition program. For the purpose of this clause, this definition does not apply to the subcontractors whose contracts have been assumed, so long as the terms and conditions of those subcontracts are not altered as a result of interactions with the Offeror prior to award of this contract.

SECTION C

STATEMENT OF WORK

	<u>Page No.</u>
<u>C.1</u> <u>GENERAL INFORMATION</u>	C-1
<u>C.2</u> <u>WORK REQUIREMENTS</u>	C-4
<u>C.3</u> <u>DELIVERABLES</u>	C-12
<u>C.4</u> <u>WORK STANDARDS</u>	C-12

SECTION C

DESCRIPTION/SPECIFICATION/WORK STATEMENT DESCRIPTION OF WORK AND SERVICES STATEMENT OF WORK

C.1 GENERAL INFORMATION

1.0 Introduction

This Performance-Based Management Contract (PBMC) is for the management and operation of the Strategic Petroleum Reserve (SPR) crude oil facilities. It reflects the application of performance-based contracting approaches and techniques which emphasize results/outcomes and minimize “how to” performance descriptions. The Contractor has the responsibility for total performance under the Contract, including determining the specific methods for accomplishing the work effort, performing quality control, and assuming accountability for accomplishing the work under the contract. Accordingly, this PBMC provides flexibility, within the terms and conditions of the contract, to the Contractor in managing and operating the Strategic Petroleum Reserve.

Under this PBMC, it is the Contractor’s responsibility to develop and implement innovative approaches and adopt practices that foster continuous improvement in accomplishing the mission of the Strategic Petroleum Reserve. DOE expects the Contractor to produce effective and efficient management structures, systems, and operations that maintain high levels of quality and safety in accomplishing the work required under this contract. The Contractor shall conduct all work in a manner that optimizes productivity, minimizes waste, and fully complies with all applicable laws, regulations, and terms and conditions of the contract.

2.0 Background

The SPR is a large crude oil stockpile under the control of the President of the United States. The SPR is mandated by the Energy Policy and Conservation Act, as amended, and by the comprehensive energy plans of all Administrations since 1975, including the May 2001 National Energy Plan, in recognition of the long-term dependence of the United States on imported crude oil and petroleum products.

The SPR mission is to store petroleum to reduce the adverse economic impact of a major petroleum supply interruption to the United States and to carry out obligations under the international energy program. The SPR vision is to fill the reserve to capacity with petroleum and to serve as the global benchmark for

petroleum reserves. To fulfill its mission and vision, the SPR has institutionalized the following core values:

Public Confidence – Sustain a high performing organization to ensure the trust of the American people

Excellent Customer Service – Understand and meet the needs of refiners, traders, and other customers

Responsible Stewardship – Manage in an efficient and effective business environment

Dynamic Teamwork – Provide a culture of organization-wide continuous improvement of individuals

Partnerships – Develop positive relations with contractors, suppliers, federal and state agencies

Social Responsibility and Citizenship – Strengthen local community services and ensure highest standards for environmental, health and safety programs

Employee Development and Diversity – Ensure credible diversity and developmental practices, as well as ethical conduct and respect for individuals

The Assistant Secretary for Fossil Energy, U. S. Department of Energy, has overall programmatic responsibility for achieving the goals and objectives of the SPR program. This responsibility has been delegated to the Deputy Assistant Secretary for Petroleum Reserves and is exercised through a Program Office in Washington, D.C. In addition, there is a Project Management Office located in New Orleans, Louisiana. It carries out day-to-day project activities, including the management and operation of the SPR sites, and is responsible for the award and administration of this contract.

The Strategic Petroleum Reserve Facilities Development Program is presently designed and constructed to provide a storage capacity of 700 million barrels and a drawdown/distribution capability of 4.2 million barrels per day. Currently, the SPR has a crude oil inventory of approximately 545 million barrels with another 63.6 million barrels to be delivered by April 2003.

The Department has developed four large underground crude oil storage facilities in salt domes along the Gulf Coast of Texas and Louisiana. The four storage sites are West Hackberry and Bayou Choctaw in Louisiana, and Bryan Mound and Big Hill in Texas. These storage sites are organized into three distribution systems-- Seaway, Texoma and Capline-- and are connected by Department of Energy pipelines to commercial crude oil pipeline networks and to commercial and Government-owned marine terminal distribution facilities. The Government-owned SPR marine terminal is located in St. James, Louisiana.

The SPR had another site at Weeks Island that has been decommissioned and for which caretaker maintenance is on-going. The SPR plans to offer the Weeks Island site for sale.

In addition, the Department has initiated a commercialization program to outgrant by leasing/selling underutilized SPR crude oil distribution facilities (i.e., the St. James marine terminal and crude oil pipelines within the Capline, Texoma, and Seaway complexes) for commercial use. Because of the decommissioning of the Weeks Island site, the Department sold the Weeks Island pipeline and leased the St. James marine terminal. The pipelines from the Bryan Mound site to Texas City and Jones Creek and Bayou Choctaw to St. James Terminal were also leased and the management and operating contractor has oversight responsibility of these leases.

3.0 Scope of Work

Under this PBMC, the Contractor shall furnish the necessary personnel, facilities, equipment, materials, supplies, and services (except those provided by the Government) to accomplish the scope of work. The Scope of Work under this PBMC is comprehensive in that the Contractor is expected to perform all necessary technical, operational and management functions to manage and operate the site/facility and perform the DOE missions assigned to the site/facility. This encompasses all on-going objectives of the site/facility as well as those objectives that may be assigned during the term of the contract and include, but is not limited to: expansion of the SPR; all infrastructure management and maintenance; human resources management; environmental management; health, safety, and security; and purchasing, financial and other administrative systems.

The overall performance objectives of this contract are:

The contractor shall maintain the SPR inventory and storage capacity, assure operational readiness to drawdown and distribute crude oil within 15 days of a Presidential direction, and maintain an operational posture that exercises and preserves SPR systems and processes to achieve performance criteria, cost control objectives and the long-term capability to perform the mission.

Work under this contract shall be performed in a manner that will protect the environment, the facilities, and the safety and health of employees and the public. The contractor shall utilize the best operational technology and management practices from both Government and commercial sources to continuously improve and achieve excellence in the conduct of operations at the SPR. The contractor is expected to achieve effective, efficient, and economic use of resources to meet the requirements of the contract, including effective application of cost considerations in the decision-making process through such means as cost/benefit, life cycle cost, lease/purchase, and make-or-buy analyses.

C.2 WORK REQUIREMENTS

1.0 Introduction

The performance-based results/outcomes of this contract are broadly set out in this Statement of Work and reflect the Department of Energy's (DOE) minimum needs and expectations for Contractor Performance. More particularly, established annually, or at other such intervals determined by DOE to be appropriate, will be specific performance work statements, performance standards (measures applied to results/outputs), acceptable performance levels (performance expectations), acceptable quality levels (permissible deviations from performance expectations), and related incentives. The related incentives may be monetary, or in cases where monetary incentives are not desirable or considered effective, the contractor's performance may be used as a factor in the determination to extend contract performance, a factor which directly affects the past performance report card, or a factor in a decision to reduce or increase DOE oversight on contractor reporting as appropriate.

DOE's Quality Assurance/Surveillance Plan (QSAP) will consist primarily of use the Performance Evaluation Management Plan (PEMP) (see DEAR 970.5215-1). The QSAP establishes the process DOE will use to ensure that the contractor has performed in accordance with the performance standards and expectations. The QSAP will summarize the performance standards, expectations and acceptable quality levels for each task; describe how performance will be monitored and measured; describe how the results will be evaluated; and state how the results will affect contract payment.

Specific work requirements under this contract will be established annually by the Contracting Officer in accordance with the Section H clause entitled "Work Authorization System." The Contracting Officer will issue Work Authorization Directives for each major work area to be accomplished in a given year. These directives will conform to the Scope of Work of this contract and further effect the General Requirements specified in this section.

2.0 General Requirements

2.1. Operations

Perform management, planning, oversight, documentation, training, operational functions, energy management and crude oil activities associated with the operation of the SPR facilities.

Manage, plan, and implement operational activities associated with fluid movements (crude oil, raw water, and brine); solution mining; receipt and storage of crude oil; pipeline and metering operations; drawdown/distribution readiness activities; cavern well operations

workover, geotechnical and monitoring; operation, maintenance, etc. of vapor pressure treatment facilities to minimize impacts to drawdown and inventory availability; crude oil quality monitoring and compliance with standards, quantity control; crude oil programming and accountability; operation and testing of brine disposal wells; and other activities as deemed appropriate.

2.1.1 Drawdown Readiness

The Contractor shall manage and execute the operational Drawdown Readiness program, including but not limited to planning, developing, researching, training, and conducting Systems Test Exercises (STE)/Disaster Recovery Exercises. Maintain operations and management computer models and databases with respective programs supporting Drawdown Readiness (i.e., Personal Computer Operations Model (PCOM), Readiness and Capability (Report) RECAP, etc) functions. Perform analyses, and studies of areas affecting systems capabilities for improving system enhancements of DOE-owned distribution systems. Manage planning, analysis, and implementation of the Vapor Pressure mitigation program. On STE/Disaster Recovery test exercises, interface with other federal, state, and local agencies to ensure that policy and goals are achieved.

2.1.2 Cavern Integrity and Workovers

The Contractor shall manage and operate the SPR cavern integrity and workover program in a safe, effective, efficient, timely, and environmentally compliant manner consistent with DOE objectives and requirements ensuring compliance with current DOE Conduct of Operations regulations, and Occurrence Reporting and Processing System requirements.

Manage geotechnical controls, monitor and analyze caverns to ensure drawdown capability. Assure that proper permits and reports for caverns, cavern wells, brine disposal wells, workovers, etc. are filed with appropriate regulatory agencies. Develop workover procedures and schedules with assurance that workover materials and subcontracts are ordered and ready when needed to support rig operations without impact. Initiate all work orders necessary to support the approved workover schedule.

Develop and recommend engineering solutions to down-hole and wellhead problems in cavern and brine disposal wells. Provide periodic reports on Cavern Integrity and Workover activities as required by Work Authorization Directives.

2.1.3 Petroleum Acquisition and Transportation

Manage the Logistics functions for crude oil movements, crude oil accountability, crude oil quality control, fill and drawdown activities, planning and control, and support of Foreign Trade Zone operations. The Contractor is responsible for maintaining the official cargo and oil contract files.

In support of oil movements (fill and drawdown), the Contractor will develop a crude oil fill plan and schedule, and coordinate oil movements with Government Quality Assurance Representatives, commercial terminals and pipelines, and the SPR storage sites. The Contractor will prepare oil movement tables for all oil movements and manage SPR deliveries in compliance with the Cargo Preference Act and the Jones Act.

Perform those tasks necessary to support the administration of crude oil initiatives such as Royalty-in-Kind, crude oil exchanges, and miscellaneous special initiatives. In support of negotiations and execution of any SPR contracts, the Contractor will conduct Oil Price Analysis, market evaluations, and analyze Oil Trading/ Hedging alternatives to support price determinations and price indexing.

The Contractor will institute and manage a crude oil quality program that encompasses the oversight responsibility of sampling, analysis, technical review and documentation of SPR crude oil in accordance with SPRPMO Orders.

Manage and operate SPR site crude oil laboratories, including the calibration of analytical equipment. Operate and maintain the metering and sampling equipment located at the SPR sites, including the calibration of instrumentation devices used for generating measurements.

Manage the crude oil quality database and cavern sampling program. Maintain the necessary controls for measurement, sampling, and analyses, in accordance with DOE requirements.

2.2 Maintenance

Manage and perform preventive, corrective, predictive, and general maintenance on government-owned equipment and facilities, including caverns, and wells. Maintain the government-owned facilities in a manner that will detect and correct defects that could cause potential failures. Provide all the integrated resources necessary to maintain, update, and improve the Integrated Logistics Support program.

2.3 Major Maintenance

Perform major maintenance projects and related construction management involving engineering, procurement, construction, fabrication, installation, and testing, or combinations thereof, which: 1) maintains a building, structure, or physical system in an efficient operating condition, or 2) materially adds to the value of or prolongs the life of a building, structure, or physical system.

2.4 Utility Operations (Power)

The Contractor shall manage electric power usage, and other SPR utilities programs tied to drawdown/fill readiness for ensuring their cost effectiveness, including hotel loads, and equipment testing. The Contractor shall manage Energy Management programs and implement state-of-the-art processes for energy efficiency, and support the acquisition of public utility contractual agreements.

2.5 Environmental

Develop, implement, and maintain a comprehensive Environmental Management Program, which shall include all activities necessary to ensure that SPR operations do not adversely impact the environment and meet the environmental protection requirements of the DOE, and federal, state, and local regulatory agencies. Program elements include environmental monitoring; environmental impact assessment and reports; regulatory agency reporting; permitting; oil spill response; environmental inspection; pollution abatement; waste minimization; records maintenance; laboratory operation; audits, documentation, and coordination of all site programs addressing environmental activities. The Environmental program shall meet the requirements set forth in International Standards Organization (ISO) 14001 and be capable of registration by a registrar accreditation board within the first year of operation or such other reasonable period of time.

2.6 Security

Develop, implement, and maintain a Security Program to protect personnel, Government property and classified information from theft, sabotage, espionage, or other acts that may cause adverse impacts on national security or the health and safety of the public. Elements of the program include personnel security; lock and key control programs; classified document control program; operation security program; communication security program; tempest program; security

awareness/crime prevention program; cybersecurity; audits; inspection; investigation; vulnerability and risk assessments; lighting systems and intrusion detection alarm systems; national security clearance requests and investigations; emergency and contingency planning; test/exercise programs; information classification program; and management of subcontracted security and protection force services.

2.7 Technical Support and Management

2.7.1 Engineering

Perform special studies, analyses, design, design reviews, and documentation in support of the operation, maintenance, and repair of facilities, systems, and equipment. Primary functions involve technical disciplines associated with the flow of high volume of raw water, brine, and crude oil in the solution-mining of underground storage caverns and crude oil drawdown. Engineering disciplines cover areas required for problem solving and associated analysis. Perform Title I, II and III services, as required. Additional functional responsibilities include systems engineering; vapor pressure analyses; cavern and well engineering; pipeline assurance; configuration management; and Reliability, Availability, and Maintainability (RAM) program management. The contractor shall fulfill the acquisition of treatment facilities intended to remediate increased vapor pressure of inventory.

2.7.2 Quality Assurance

Develop, implement, and maintain a comprehensive Quality Assurance Program, which shall include all activities necessary to ensure that risks and environmental impacts are minimized and that safety, reliability, performance, and mission are accomplished through the application of management systems commensurate with the risks posed by the facilities and their operation.

Assure development, implementation, and maintenance of Quality Control Programs and a Quality Improvement Program to continuously improve the products and services provided to internal and external customers. Utilize the Malcolm Baldrige criteria as the basis for organizational improvement. The Quality Assurance program shall meet the requirements of DOE Order 414.1, "Quality Assurance", and as set forth in International Standards Organization (ISO) 9001 and be capable of registration by a registrar accreditation board within the first year

of operation or such other reasonable period of time.

2.7.3 Project Management

Provide overall management of contract performance, legal services, project planning and control, public affairs, graphics, records management, self-assessments, and miscellaneous support services.

2.7.4 Information Systems and Knowledge Management

The Contractor shall utilize the best appropriate technology and management practices to efficiently manage, operate, and maintain a SPR-enterprise wide computer and information system. This includes a central network control server facility (New Orleans) with alternate hot site, computer workstations, area networks, office automation, software and management information system development and maintenance, data communication, and directly related support activities, including cyber security. The Contractor shall orient all planning and implementation towards deploying forward looking technologies which maximize overall operating efficiencies and best business practices from enterprise resource planning and knowledge management perspectives. This includes digital document and records management, data warehousing and mining, utilizing web centric applications and creating efficiencies from flexible work place and workspace environments. Also included are the management, operation, and maintenance of telecommunication, video teleconferencing, radio, and satellite communication services, facilities, and equipment during normal and emergency situations for all SPR sites.

2.7.5. Financial Management

Develop, implement, and maintain a Financial Management program including an accounting system suitable to accumulate, record, and report all financial activities; formulate short and long-range budgets which identify all resource requirements needed to accomplish projected work loads; and develop, implement, and maintain effective controls of all budgets through the use of approved funding programs and cost resource analysis.

2.7.6 Procurement/Contracts

Develop, implement, and maintain a DOE-approved procurement system the objective of which is to deliver to its customers on a timely basis those products and services necessary to accomplish the purposes of the Government's contract. The purchasing system shall be well-defined, consistently applied and shall follow purchasing practices appropriate for the requirement and dollar value of the purchase. Although not Federal procurements, and not directly subject to the Federal Acquisition Regulation in 48 CFR, contractor purchases are subject to certain Federal laws, Executive Orders, and regulations as required by statute, regulation, or contract terms and conditions. The purchasing system shall identify and apply the best in commercial purchasing practices and procedures to achieve system objectives. Where specific requirements do not otherwise apply, the contractor purchasing system shall provide for appropriate measures to ensure the:

- (1) Acquisition of quality products and services at fair and reasonable prices;
- (2) Use of capable and reliable subcontractors;
- (3) Minimization of acquisition lead-time and administrative costs of purchasing;
- (4) Use of effective competitive techniques;
- (5) Reduction of performance risks associated with subcontractors, and facilitation of quality relationships which can include techniques such as partnering agreements, ombudsmen, and alternative disputes procedures;
- (6) Use of self-assessment and benchmarking techniques to support continuous improvement in purchasing;
- (7) Maintenance of the highest professional and ethical standards;
- (8) Maintenance of file documentation appropriate to the value of the purchase and which is adequate to establish the propriety of the transaction and the price paid; and
- (9) Maximization of opportunities for small business, HUBZone small business, small disadvantaged business, and woman-owned business concerns to participate in contract performance.

2.7.7 Property Management

Develop, implement, and maintain a DOE approved personal property management system that provides adequate protection, maintenance, utilization, and disposition of personal property, and reasonable assurance that the DOE's personal property is

safeguarded against waste, loss, unauthorized use, or misappropriation, in accordance with applicable statutes, regulations, contract terms and conditions, programmatic needs, and good business practices.

2.7.8 Human Resource Management

Develop, implement, and maintain a Personnel System including employment functions such as recruiting, interviewing, testing, diversity management, wage and salary administration, position classification, personnel records, benefits administration, employee fitness programs, service recognition programs, industrial relations, collective bargaining, administration of employee welfare programs, performance appraisal, training and development, and other miscellaneous personnel services.

2.7.9 Safety and Health

Develop, implement, and maintain a comprehensive Safety and Health Program which shall include all activities necessary to ensure the health and safety of the work force and the public and shall meet the requirements of DOE Orders, the safety and health manual, and federal, state, and local codes. Program elements include safety and health inspections; hazard identification analysis and abatement; accident investigations; records maintenance; industrial hygiene; and coordination of all site programs addressing safety and health activities.

The Contractor shall commit to OSHA Voluntary Protection Program criteria and maintain the existing VPP status at each SPR operating site.

2.7.10 Fire Protection and Emergency Management

Develop, implement, and maintain comprehensive programs in the areas of Fire Protection and Emergency Management.

The Fire Protection Program shall include all activities necessary to protect the SPR from the perils of fire and shall comply with requirements of the National Fire Codes, Factory Mutual Loss Prevention Data Sheets, American Petroleum Institute recommended practices, and DOE Orders. Program elements include inspection, monitoring and reviewing, maintenance and repair, and risk assessment.

The Emergency Management Program shall include all activities necessary to ensure readiness to respond to emergencies and

shall comply with DOE orders, federal, state and local regulations. Readiness shall be attained by maintenance of current documentation delineating roles and responsibilities, and by exercises and training.

2.7.11 Internal Audit

Conduct internal audit operations satisfactory to DOE, which at a minimum would: be organizationally independent; be of sufficient size and include appropriately trained professionals to meet standards of the Institute of Internal Auditors (IIA); perform both financial and performance audits meeting either Government Auditing Standards or IIA standards, including sufficient testing of "internal controls" over cost and sufficient transaction testing of costs incurred by the contractor to ensure reasonableness, allowability, and allocability. Establish an audit resolution and follow-up system to track internal audit findings and recommendations and effectively participate in coordination with the Office of Inspector General's (OIG) audit plan.

C.3 DELIVERABLES

Deliverables required under this contract will be set forth in the Work Authorization Directives issued by the Contracting Officer. In addition, the contractor shall satisfy the reporting requirements contained in Section J of this contract. To ensure that effective and efficient management systems exist for the management and operations of the Strategic Petroleum Reserve, this contract also requires the delivery of certain documents, plans, and reports for the Contracting Officer's review and approval. These requirements are specified elsewhere in this contract.

C.4 WORK STANDARDS

In performing this contract, the contractor shall comply with applicable federal, state, and local laws and regulations; and shall be responsible for obtaining such licenses, permits, and other authorization that may be necessary for the performance of the work.

Pursuant to the Contract Clause entitled "Laws, Regulations, DOE Directives" the contractor shall conform to the requirements of all applicable DOE Orders and Directives, which may establish management, technical, procedural or other standards, and specifications for contractor work activities. The Orders and Directives applicable to this contract are identified in the *DOE/SPRPMO DIRECTIVES* contained in Section J of this contract.

All work under this contract shall conform to the requirements set forth in the following documents:

SPR Level I Technical and Performance Criteria (April 1999)

SPR Level II Performance Criteria (December 1999)

SPR Level III Design Criteria (November 2001)

SECTION E
INSPECTION AND ACCEPTANCE

	<u>Page No.</u>
<u>E.1</u> <u>INSPECTION</u>	E-1
<u>E.2</u> <u>ACCEPTANCE</u>	E-1

SECTION E

INSPECTION AND ACCEPTANCE

E.1 INSPECTION OF SERVICES – COST REIMBURSEMENT (FAR 52.246-5) (APR 1984)

- (a) *Definition.* "Services," as used in this clause, includes services performed, workmanship, and material furnished or used in performing services.
- (b) The Contractor shall provide and maintain an inspection system acceptable to the Government covering the services under this contract. Complete records of all inspection work performed by the Contractor shall be maintained and made available to the Government during contract performance and for as long afterwards as the contract requires.
- (c) The Government has the right to inspect and test all services called for by the contract, to the extent practicable at all places and times during the term of the contract. The Government shall perform inspections and tests in a manner that will not unduly delay the work.
- (d) If any of the services performed do not conform with contract requirements, the Government may require the Contractor to perform the services again in conformity with contract requirements, for no additional fee. When the defects in services cannot be corrected by reperformance, the Government may (1) require the Contractor to take necessary action to ensure that future performance conforms to contract requirements; and (2) reduce any fee payable under the contract to reflect the reduced value of the services performed.
- (e) If the Contractor fails to promptly perform the services again or take the action necessary to ensure future performance in conformity with contract requirements, the Government may (1) by contract or otherwise, perform the services and reduce any fee payable by an amount that is equitable under the circumstances; or (2) terminate the contract for default.

E.2 ACCEPTANCE

Acceptance for all work and effort under this Contract shall be accomplished by the Contracting Officer or any other duly authorized representative.

SECTION F

DELIVERIES OR PERFORMANCE

Page No.

F.1 TERM OF CONTRACT..... F-1

F.2 PLACE OF PERFORMANCE F-1

F.3 OPTION TO EXTEND THE TERM OF THE CONTRACT F-1

F.4 EXERCISE OF OPTION(S)..... F-2

F.5 STOP-WORK ORDER (FAR 52.242-15)(AUG 1989)
(ALTERNATE I)(APR 1984)..... F-2

SECTION F

DELIVERIES OR PERFORMANCE

F.1 TERM OF CONTRACT

The term of this contract shall be for the period of February 1, 2003 through March 31, 2008, unless sooner terminated in accordance with the provisions of this Contract. The period from February 1, 2003 through March 31, 2003, shall be for the transition from the existing Contractor to the successor Contractor. The Contractor's responsibility for management and operation of the Strategic Petroleum Reserve facilities shall start on April 1, 2003.

F.2 PLACE OF PERFORMANCE

The work under this contract is to be carried out at the following Strategic Petroleum Reserve facilities:

- Elmwood Office Complex, Jefferson Parish, Harahan, Louisiana
- Bayou Choctaw, Iberville Parish, Louisiana
- West Hackberry, Cameron Parish, Louisiana
- Big Hill, Jefferson County, Texas
- Bryan Mound, Brazoria County, Texas

F.3 OPTION TO EXTEND THE TERM OF THE CONTRACT

- (a) The Government may extend the term of this contract for up to an additional five years by written notice to the Contractor within 180 days of the expiration of the basic contract; provided, that the Government gives the Contractor a preliminary written notice of its intent to extend at least 12 months before the contract expires. The preliminary notice does not commit the Government to an extension.
- (b) The total duration of this contract shall not exceed ten years, not including the transition period.

F.4 EXERCISE OF OPTION(S)

The DOE has included an option to extend the term of this contract in order to demonstrate the value it places on quality performance. The DOE has provided a mechanism for continuing a contractual relationship with a successful Contractor that performs at a level that meets or exceeds quality performance expectations as communicated to the Contractor, in writing, by the Contracting Officer or designated representative. When deciding whether to exercise the option, the contracting Officer will consider the quality of the Contractor's performance under this Contract.

The Option Periods, covering the period from April 1, 2008 through March 31, 2013, may be for a period(s) from one to five years. The Contracting Officer will determine the duration of the option period(s) at the time of written notification to the Contractor. Successive options may be exercised up to a total of five years. The total term shall not extend beyond March 31, 2013.

F.5 STOP-WORK ORDER (FAR 52.242-15) (AUG 1989) (ALTERNATE I) (APR 1984)

(a) The Contracting Officer may, at any time, by written order to the Contractor, require the Contractor to stop all, or any part, of the work called for by this contract for a period of 90 days after the order is delivered to the Contractor, and for any further period to which the parties may agree. The order shall be specifically identified as a stop-work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage. Within a period of 90 days after a stop-work is delivered to the Contractor, or within any extension of that period to which the parties shall have agreed, the Contracting Officer shall either-

(1) Cancel the stop-work order; or

(2) Terminate the work covered by the order as provided in the Termination Clause of this contract.

(b) If a stop-work order issued under this clause is canceled or the period of the order or any extension thereof expires, the Contractor shall resume work. The Contracting Officer shall make an equitable adjustment in the delivery schedule, the estimated cost, the fee or combination thereof, and in any other terms of the

contract that may be affected, and the contract shall be modified, in writing, accordingly, if-

- (1) The stop-work order results in an increase in the time required for, or in the Contractor's cost properly allocable to, the performance of any part of this contract; and
 - (2) The Contractor asserts its right to the adjustment within 30 days after the end of the period of work stoppage; provided, that, if the Contracting Officer decides the facts justify the action, the Contracting Officer may receive and act upon the claim submitted at any time before final payment under this contract.
- (c) If a stop-work order is not canceled and the work covered by the order is terminated for the convenience of the Government, the Contracting Officer shall allow reasonable costs resulting from the stop-work order in arriving at the termination settlement.
- (d) If a stop-work order is not canceled and the work covered by the order is terminated for default, the Contracting Officer shall allow, by equitable adjustment or otherwise, reasonable costs resulting from the stop-work order.

SECTION G

CONTRACT ADMINISTRATION

Page No.

<u>G.1</u>	<u>CORRESPONDENCE PROCEDURES</u>	G-1
<u>G.2</u>	<u>CONTRACT SPECIALIST FOR POST AWARD ADMINISTRATION</u>	G-2
<u>G.3</u>	<u>CONTRACTING OFFICER’S REPRESENTATIVE</u>	G-2
<u>G.4</u>	<u>DEPARTMENT OF ENERGY PATENT COUNSEL</u>	G-2
<u>G.5</u>	<u>PROPERTY ADMINISTRATOR</u>	G-3

SECTION G

CONTRACT ADMINISTRATION

G.1 CORRESPONDENCE PROCEDURES

To promote timely and effective administration under this contract, the Contractor shall be subject to the following procedures:

- (a) Technical Correspondence. Technical correspondence submitted (as used herein, this term excludes technical correspondence where patent or technical data issues are involved and correspondence which proposes or otherwise involves waivers, deviations, or modifications to the requirements, terms, or conditions, of this contract) shall be addressed to the DOE Contracting Officer's Representative (COR) (see paragraph G.3) with an information copy of the correspondence to the DOE Contract Specialist (see paragraph G.2).
- (b) Other Correspondence. All other correspondence shall be addressed to the Contracting Officer, with information copies of the correspondence to the DOE COR, and DOE Patent Counsel (where patent or technical data issues are involved).
- (c) Contracting Officer's Address. The Contracting Officer's address is:

(Name) (TBD)
Contracting Officer
U.S. Department of Energy
Strategic Petroleum Reserve Project Management Office
900 Commerce Road, East
New Orleans, LA 70123
(Telephone No. _____)
(Email address _____)
- (d) Subject Line(s). All correspondence shall contain a subject line commencing with the contract number, as illustrated below:

SUBJECT: Contract No. (Insert contract number from cover page Block 2)
(Insert subject topic after contract number)

G.2 CONTRACT SPECIALIST FOR POST AWARD ADMINISTRATION

The DOE Contract Specialist is: (TBD)

Name

U.S. Department of Energy

Strategic Petroleum Reserve Project Management Office

900 Commerce Road, East

New Orleans, LA 70123

(Telephone No. _____)

(Email address: _____)

The Contractor shall use the Contract Specialist as the point of contact on all but technical matters (see G.1 (a), above for definition).

G.3 CONTRACTING OFFICER'S REPRESENTATIVE

The Contracting Officer's Representative is: (TBD)

Name

U.S. Department of Energy

Strategic Petroleum Reserve Project Management Office

900 Commerce Road, East

New Orleans, LA 70123

(Telephone No. _____)

(Email address _____)

The Contractor shall use the COR as the point of contact on technical matters (see G.1 (a) above, for definition).

G.4 DEPARTMENT OF ENERGY PATENT COUNSEL

The mailing address for information copies to the DOE Patent Counsel is:

Mr. Paul Gottlieb

Assistant General Counsel for Intellectual Property

GC-61, Room 6F067

U.S. Department of Energy

1000 Independence Avenue, SW

Washington, DC 20585

G.5 PROPERTY ADMINISTRATOR

The DOE Property Administrator for this contract is (TDB).

(Name) (TBD)

Property Administrator

U.S. Department of Energy

Strategic Petroleum Reserve Project Management Office

900 Commerce Road, East

New Orleans, LA 70123

(Telephone No. _____)

(Email address _____)

The Contractor shall use the Property Administrator as the point of contact on property matters (see G.1 (a) above, for definition).

SECTION H**SPECIAL CONTRACT REQUIREMENTS**Page No.

<u>H.1</u>	<u>TYPE OF CONTRACT</u>	H-1
<u>H.2</u>	<u>REPRESENTATIONS AND CERTIFICATIONS</u>	H-1
<u>H.3</u>	<u>MODIFICATION AUTHORITY</u>	H-1
<u>H.4</u>	<u>GOVERNMENT OWNED PROPERTY AND EQUIPMENT</u>	H-1
<u>H.5</u>	<u>ASSUMPTION OF EXISTING AGREEMENTS AND SUBCONTRACTS</u> ..	H-1
<u>H.6</u>	<u>RIGHT TO PROPOSAL DATA</u>	H-2
<u>H.7</u>	<u>LOBBYING RESTRICTIONS</u>	H-2
<u>H.8</u>	<u>WORK AUTHORIZATION SYSTEM</u>	H-2
<u>H.9</u>	<u>PERFORMANCE DIRECTION</u>	H-4
<u>H.10</u>	<u>REPORTING REQUIREMENTS</u>	H-6
<u>H.11</u>	<u>PROJECT CONTROL SYSTEM</u>	H-8
<u>H.12</u>	<u>PERFORMANCE CRITERIA, MEASURES, OUTPUT TARGETS, AND INCENTIVES</u>	H-9
<u>H.13</u>	<u>ADVANCE UNDERSTANDING ON HUMAN RESOURCES</u>	H-9
<u>H.14</u>	<u>FINES AND PENALTIES</u>	H-10
<u>H.15</u>	<u>SERVICES</u>	H-10
<u>H.16</u>	<u>CORPORATE HOME OFFICE EXPENSES</u>	H-10
<u>H.17</u>	<u>SEPARATE CORPORATE ENTITY</u>	H-10
<u>H.18</u>	<u>RESPONSIBLE CORPORATE OFFICIAL</u>	H-11
<u>H.19</u>	<u>CONFIDENTIALITY OF INFORMATION</u>	H-11

[H.20 ENVIRONMENTAL PERMITS AND APPLICATIONS](#).....H-12

[H.21 PAYMENT OF OVERTIME PREMIUMS](#)H-12

[H.22 ADMINISTRATION OF SUBCONTRACTS](#)H-13

SECTION H

SPECIAL CONTRACT REQUIREMENTS

H.1 TYPE OF CONTRACT

This is a Performance-Based Management Contract for the management and operation of a DOE facility governed by the provisions of Federal Acquisition Regulation 17.6 and Department of Energy Acquisition Regulation DEAR 917.6. It contains cost-plus-award-fee provisions and other incentives as may be negotiated between the parties.

H.2 REPRESENTATIONS AND CERTIFICATIONS

The Representations and Certifications, and Other Statements of Offeror for this Contract as completed by the Contractor are hereby incorporated in this Contract by reference.

H.3 MODIFICATION AUTHORITY

Notwithstanding any of the other provisions of this Contract, a Contracting Officer shall be the only individual on behalf of the Government to:

- (a) Accept nonconforming work;
- (b) Waive any requirement of this Contract; or,
- (c) Modify any term or condition of this Contract.

H.4 GOVERNMENT-OWNED PROPERTY AND EQUIPMENT

Upon execution of the Contract, the Contractor shall accept the transfer and accountability for Government-Owned Property and Equipment from Contract DE-AC96-93PO18000.

H.5 ASSUMPTION OF EXISTING AGREEMENTS AND SUBCONTRACTS

Upon the effective date of this Contract, the Contractor shall assume responsibility for existing contracts and agreements from Contract No. DE-AC96-93PO18000. These include (a) all subcontracts and purchase orders with the exception of Parent Company Task Orders, (b) consulting agreements, (c) regulatory agreements and permits, (d) site-wide plans (e.g., safety and security plans) and (e) any other agreements in effect prior to the execution of this Contract.

H.6 RIGHTS TO PROPOSAL DATA

Except as otherwise authorized by the Contracting Officer, pursuant to 48 CFR 27.409(s), the Contractor shall include the clause of 48 CFR 52.227-23 "Rights to Proposal Data (Technical)," in any subcontract awarded based on consideration of technical proposal.

H.7 LOBBYING RESTRICTIONS (*Department of Interior and Related Agencies Appropriations Act, 2002*)

The Contractor agrees that none of the funds obligated on this award shall be made available for any activity or the publication or distribution of literature that in any way tends to promote public support or opposition to any legislative proposal on which Congressional action is not complete. This restriction is in addition to those prescribed elsewhere in statute and regulation.

H.8 WORK AUTHORIZATION SYSTEM

- (a) Prior to the start of each fiscal year, the DOE shall provide the Contractor program execution guidance in sufficient detail to develop estimated costs, scope, and schedule for the performance thereof. The Contractor shall submit to the Contracting Officer or other Designated Official, a detailed statement of work consistent with Section C, "Statement of Work," a budget of estimated costs and corresponding schedule of performance for work to be performed during the next fiscal year. The level of work activities, estimated cost, and schedule shall be a task level 2 of the Work Breakdown Structure (WBS), consistent with the Statement of Work or other level as specified by the Contracting Officer.
- (b) Budget Negotiations: Prior to the authorization to proceed with the performance of any work under this contract, the Contractor and the DOE shall mutually establish a budget of estimated costs, a detailed statement of work, and schedule of performance for each task at level 2 of the WBS or as otherwise specified by the Contracting Officer for that fiscal year. The established estimated costs, detailed statement of work, and schedule of performance shall be incorporated into the contract's Appendix B, Work Authorization Directives (WADs), and by modification. If agreement cannot be reached on the scope, schedule, and/or estimated cost for the WADs, the Contracting Officer shall issue a unilateral modification establishing the estimated cost and issue the WAD pursuant to this subsection authorizing Contractor performance, which shall not be subject to the Contract Clause entitled "Disputes - Alternate I."
- (c) No activities shall be authorized and no costs incurred until either the Contracting Officer has issued direction concerning continuation of activities.

- (d) Work Authorization Directives: The WADs authorizing the Contractor to proceed with performance of the annual Statement of Work, shall be provided in writing to the Contractor by the Contracting Officer. Each WAD so issued will include the following:
- (1) Authorization number and work initiation date
 - (2) Description of Work
 - (3) Revision Number
 - (4) The total estimated cost for the work to be performed under this authorization and current period estimated cost if the WAD performance schedule exceeds the current fiscal year
 - (5) Appropriate schedule and milestone dates
 - (6) Cost, schedule, and all other reporting requirements
 - (7) Performance, objectives, measures, and targets
 - (8) Date of issue
 - (9) Responsible DOE Designated Official signature
 - (10) Contracting Officer signature
- (e) Performance Direction: Government direction of the performance of all work authorized for performance under this contract shall be in accordance with the Special Contract Requirement entitled "Performance Direction."
- (f) Modification: The Contracting Officer may at any time and without notice issue WADs within the Scope of Work of this contract requiring additional work, or directing the omission of, or changes to the Statement of Work of this contract. A proposal for adjustment in the budget of estimated costs and schedule of performance of work established in accordance with paragraph (g) of this subsection shall be submitted by the Contractor as mutually agreed upon with the Contracting Officer.
- (g) Expenditure of Funds and Incurrence of Cost: The performance of work and the incurrence of cost in the execution of the Statement of Work of this contract shall be initiated only when authorized in accordance with the provisions of this subsection. The expenditure of monies by the Contractor in the performance of all authorized work shall also be governed by the provisions of the Contract Clause entitled "Obligation of Funds." The Contractor shall notify the Contracting Officer whenever it anticipates under-running a WAD by more than 10% or over-running a WAD in any amount.

- (h) Remuneration: An annual fee shall be negotiated in accordance with the contract clause entitled "Total Available Fee: Base Fee Amount and Performance Fee Amount" for the performance of work authorized pursuant to this subsection. In accordance with the Contract Clause entitled "Changes," when a WAD results in a material change in the negotiated budget of total estimated cost or character of the Statement of Work, an equitable adjustment of the fee shall be made in accordance with the agreement of the parties and the contract shall be modified in writing.
- (i) Order of Precedence: This subsection is of lesser order of precedence than the Contract Clauses entitled "Obligation of Funds," and "Payments and Advances." The Contractor is not authorized to incur costs on any WAD which are not in compliance with the other terms and conditions of this contract.
- (j) Conflicts: In the event there is a conflict between the requirements of this subsection and Section J, Appendix F, "List of Applicable Directives," as amended, the Contractor shall obtain guidance from the Contracting Officer.
- (k) Reporting: Reporting shall be in accordance with the Special Contract Requirement entitled "Reporting Requirements."
- (l) Responsibility to Achieve Environmental, Safety and Health Compliance: Notwithstanding the provisions of this subsection, the Contractor has, in the event of an emergency, authority to authorize corrective actions as may be necessary to sustain operations in a manner consistent with applicable environmental, safety and health statutes, regulations, and procedures. In the event that the Contractor takes such an action, the Contractor shall notify the Contracting Officer within 24 hours after such action was initiated and, with 30 days after such action has been initiated, submit a proposal for adjustment in the estimated costs and schedule of performance of work established in accordance with paragraphs (a) and (b) of this subsection.

H.9 PERFORMANCE DIRECTION

- (a) In addition to those functions specifically reserved throughout this contract for the Contracting Officer, the Contracting Officer shall be the sole authority for assignment of WADs, establishment of program priorities, and controlling the expenditure of funds, which have been obligated for performance of this contract.
- (b) Certain actions that require the formal signature of a Contracting Officer may be officially delegated in writing to Designated Officials. For purposes of this clause, a Designated Official is an individual, designated by the Contracting Officer, to act as authorized representative for such functions as technical monitoring, inspection, and other functions of a more technical nature not involving a change in the scope, cost, terms, or conditions of the contract. Copies of any such delegations relating to this

contract will be provided to the Contractor. The Contractor shall comply with direction provided by the Designated Officials.

For the purposes of this instrument, the individual identified as Designated Official is:

TBD _____

- (c) The performance of work in compliance with the Work Authorization System and the WADs, by the Contractor shall be subject to performance direction from the Designated Official as follows:
 - (1) Directions to the Contractor which redirect the contract effort, shift work emphasis within a work area or a WAD, require pursuit of certain lines of inquiry, fill in details or otherwise serve to accomplish the contractual Statement of Work.
 - (2) Provision of written information to the Contractor, which assists in the interpretation of drawings, specifications or technical portions of the work description.
 - (3) Review, and where required by the contract, approval of, reports, drawings, specifications, and information to be delivered by the Contractor to the Government under the Contract.
 - (4) Monitoring compliance with applicable environmental, safety and health provisions and DOE Rules and Orders.
- (d) The Contractor shall only accept performance direction if provided in writing and if within the Scope of Work of the contract and the WAD. Performance direction shall not: authorize the Contractor to exceed the total funds obligated on the contract or any estimated cost on a WAD, entitle the Contractor to any increase in the total amount of fee set forth in the contract, change any of the expressed terms or conditions of the contract, or, interfere with the Contractor's rights under the terms and conditions of the contract. It is expected that there will be full and open communication between the functional counterparts of the DOE and the Contractor's organization.
- (e) The Contractor shall proceed promptly with the performance required by duly issued written performance directions. If, in the opinion of the Contractor, any performance direction violates the prohibitions set forth in paragraph (d) of this clause, the Contractor shall not proceed but shall promptly orally notify the Contracting Officer of the direction and reason(s) the direction violates the provisions of this subsection. The Contractor shall confirm this notification in writing within five (5) working days from receipt of DOE's written direction. The Contracting

Officer shall render a decision on whether or not the performance direction is or is not within the Scope of Work of the contract and whether or not a change order will be issued pursuant to the Contract Clause entitled "Changes" or paragraph (f) of the Subsection of this part entitled, Work Authorization System. This decision shall be issued and/or confirmed in writing and the Contractor shall promptly comply with the DOE's direction.

- (f) A failure of the Contractor and DOE to agree that the performance direction is within the Scope of Work of the contract, or a failure to agree upon the contract action to be taken with respect thereto, shall be subject to the provisions of the Contract Clause entitled "Disputes-Alternate I."

H.10 REPORTING REQUIREMENTS

- (a) Work Breakdown Structure. Except as provided for elsewhere in the contract, the Work Breakdown Structure (WBS), as approved by the Contracting Officer, shall provide the basis for all reports required under this contract. The WBS shall be derived from the Scope of Work described in this contract and shall also conform to any implementation guidance which may be provided by the Contracting Officer.
- (b) Periodic Plans and Reports. The Contractor shall submit periodic cost, schedule, and technical performance plans and reports, in such form and substance as required by the Contracting Officer. These periodic plans and reports shall be submitted at the interval, and to the addresses and in the quantities as specified by the Contracting Officer. Where specific forms are required for individual plans and reports, the Contracting Officer shall provide such forms to the Contractor. The plans and reports expected to be submitted by the Contractor are described generally as follows:

General Management Reports narratively summarize schedule, labor, and cost plans and status, and provide explanations of status variances from plans.

Schedule/Labor Cost Reports provide information on schedule, labor and cost plans and status.

Performance Measurement Reports provide information regarding the actual cost of work performed relative to the budgeted cost for work performed relative to the budgeted cost for work scheduled, and provide for reporting data on performance measurement baseline maintenance and estimates at completion.

Technical Reports are the means by which scientific, technical, and engineering information acquired in the performance of the work is disseminated. Plans and reports shall be prepared by the Contractor in such a manner as to provide for--

- (1) Consistency with the contract Scope of Work, the WADs, and the approved WBS.
 - (2) Correlation of data among the various plans and reports.
- (c) Changes in Work Effort. The reporting system established and maintained by the Contractor pursuant to this subsection shall recognize changes in work effort directed by the Contracting Officer, as provided for in the Work Control System. During performance of this contract, the Contractor shall update and/or change, as appropriate, the WBS (including any diagrams, supporting work descriptions, and WBS dictionary) to reflect changes in the Scope of Work or discrete WADs. The Contractor's reporting system shall be able to provide for the following at the WAD level, or such lower level, as specified by the Contracting Officer:
- (1) Incorporate contractual changes affecting estimated cost and schedule in a timely manner.
 - (2) Reconcile estimated cost for those elements of the WBS identified in the contract as either priced line items or discrete WADs, and for those elements at the lowest level of the project summary WBS with current performance measurement budgets in terms of:
 - (i) Changes to the authorized work; and
 - (ii) Internal replanning in the detail needed by management for effective control.
 - (3) Prohibit retroactive changes to records pertaining to work performed that will change previously reported costs except for correction of errors and routine accounting adjustments.
 - (4) Prevent revisions to the contract estimated costs except for Government-directed changes to the contractual effort.
 - (5) Document, internal changes to the performance measurement baseline and, on a timely basis, notify the Contracting Officer of such changes.
- (d) The Contractor agrees to provide the Contracting Officer, or designated authorized representatives, access to any and all information and documents comprising the Contractor's reporting system.
- (e) The Contractor shall include the requirements of this clause in all subcontracts that are cost-reimbursement type of contracts when--
- (1) The value of the subcontract is greater than \$2 million, unless specifically waived by the Contracting Officer, and,
 - (2) The Contracting Officer determines that the contract/subcontract effort is, or involves, a critical task related to the contract.

H.11 PROJECT CONTROL SYSTEM

- (a) In the performance of this Contract, the Contractor shall establish, maintain and use a system for the management and control of projects, which meets the requirements set forth in the Contract. The systems shall be cost-effective and of a level of detail commensurate with management principles necessary for management and control of the project. Specific project control systems guideline requirements and time frames for implementation of these requirements shall be transmitted to the Contractor by the Contracting Officer. The systems shall be reviewed by the Contracting Officer, or duly authorized representative(s), for adequacy in meeting the designated requirements. As part of the review procedure, the Contractor shall furnish the Government a description of the project control system applicable to each project as required by the Contracting Officer. The Contractor agrees to provide access to all pertinent records, data and plans as requested by representatives of the Government for the conduct of this review.
- (b) The description of the project control systems accepted by the Contracting Officer shall be maintained and used by the Contractor in the performance of this Contract.
- (c) Contractor changes to the reviewed systems shall be submitted for review and approval as required by the Contracting Officer. When Contracting Officer approval is required, the Contracting Officer shall advise the Contractor of the acceptability of such changes within sixty (60) calendar days after receipt from the Contractor. When systems existing at the time of contract award do not comply with the designated guidelines, adjustments necessary to assure compliance will be made at no change in contract price or fee.
- (d) The Contractor agrees to provide access to all pertinent records and data requested by the Contracting Officer, or duly authorized representative(s), for the purpose of permitting Government surveillance to insure continuing application of the accepted systems to the project or group of projects under this Contract.
- (e) The Contractor shall require that each selected subcontractor, as determined by the Contracting Officer, meet specific guidelines for the project control systems as set forth in subcontract and shall incorporate in all such subcontracts adequate provisions for review and surveillance of subcontractor's systems to be carried out by the prime Contractor, or by the Government when requested by either the Government, prime or subcontractor.

H.12 PERFORMANCE CRITERIA, MEASURES, OUTPUT TARGETS, AND INCENTIVES

The Government will develop performance criteria, measures and output targets for the coming fiscal year which will be set forth in the Work Authorization Directives developed and issued pursuant to the Special Contract Requirement entitled WORK AUTHORIZATION SYSTEM. The Contractor may also propose additional performance measures, which will be negotiated prior to placement in the Work Authorization Directives. The evaluation areas and individual requirements that will be subject to incentivization will be included in the Performance Evaluation and Measurement Plan developed and issued pursuant to the Clause in Section I entitled, TOTAL AVAILABLE FEE: BASE FEE AMOUNT AND PERFORMANCE FEE AMOUNT. The evaluation of performance against measures will be a consideration in (1) development of fee awards, if any, (2) the DOE decision whether to extend the contract and (3) terminating the contract for default.

NOTE – COST REDUCTION INCENTIVE: The Department of Energy (DOE) expects the contractor to manage and operate the Strategic Petroleum Reserve in an efficient and effective manner. To this end, the contractor will be provided an incentive to achieve significant cost reduction without adversely affecting the level of performance required by the contract. Details implementing this incentive will be set forth in the annual Performance Evaluation and Measurement Plan issued pursuant to Clause I.93 of this contract. DOE anticipates that up to 25 percent of annual available fee will be assigned to this evaluation area in the Performance Evaluation and Measurement Plan.

The baseline for the measurement of the contractor's performance will be the contractor's approved Annual Operating Plan established each fiscal year. Reductions resulting from schedule delays, direction given by the DOE or changes in the mission, work scope, or routine reorganization of the contractor due to changes in the budget do not qualify for this incentive.

H.13 ADVANCE UNDERSTANDING ON HUMAN RESOURCES

(a) Advance Understanding on Human Resources

The Department and the successful Offeror (Contractor) will reach an advance understanding on Contractor human resources during the transition period. The advance understanding enables both the Contractor and the DOE to determine allocability, allowability and reasonableness of costs prior to incurrence, thereby avoiding subsequent disallowance and disputes; provide appropriate and reasonable compensation levels to recruit and retain Contractor employees to meet DOE mission objectives, and assure prudent expenditure of public funds. Areas generally covered by the advance understanding include compensation (all forms of

compensation, regardless of whether reimbursed by the Government, must be disclosed to the Contracting Officer), welfare benefits, labor relations, retirement plans, training, educational assistance, awards programs, employee assistance, and paid leaves and holidays. DOE Order 350.1, "Contractor Human Resource Management Programs," will serve as the governing document for development of the advance understanding. It is understood that any advance understanding will be appended to the Contract as Section J, Appendix A.

It is the Department's intent to ensure that the Contractor Human Resource Policies adequately support the Contractor's ability to attract and retain critically skilled employees. Moreover, it is the Contractor's responsibility to notify DOE when any obstacles are encountered that could impact the recruitment and retention of critically skilled employees.

(b) Employee Transition and Continuity of Employment, Pay and Benefits

Offerors are encouraged to retain incumbent personnel consistent with their proposed approach. To the extent the offeror elects to retain incumbent personnel, the following applies; (a) Take over existing savings/retirement plans at the same employer and employee contribution rates allowable under the existing contract; (b) credit employees length of service requirements with existing contractor toward any length of service requirements of the replacement contractor for the purpose of establishing benefits and; (c) recognize all currently certified bargaining agents and their existing bargaining agreements.

(c) The maximum senior executive compensation allowable under this contract shall be governed by 65 Fed. Reg. 30640 (2000) and subsequent updates. The term "compensation" means the total amount of wages, salary, bonuses, and deferred compensation for the fiscal year, whether paid, earned, or otherwise accruing, as recorded in an employee's cost accounting records for the fiscal year.

H.14 FINES AND PENALTIES

The Contractor shall not use the Letter of Credit to pay or reimburse itself for any fine or penalty without specific authorization of the Contracting Officer.

H.15 SERVICES

Services acquired by the Contractor for the Strategic Petroleum Reserve are acquired for the benefit of the Department of Energy and are immediately resold to the Government as a resale of services in accordance with Texas and Louisiana sales tax provisions.

H.16 CORPORATE HOME OFFICE EXPENSES

No corporate home office expense of the Contractor shall be allowable under this Contract without prior written approval of the Contracting Officer.

H.17 SEPARATE CORPORATE ENTITY

The work performed under this Contract by the Contractor shall be conducted by a separate corporate entity from its parent company (ies). The separate corporate entity must be set up solely to perform this Contract and shall be totally responsible for all Contract activities.

H.18 RESPONSIBLE CORPORATE OFFICIAL

Notwithstanding the Section H provision entitle "Performance Guarantee," the Government may contact, as necessary, the single responsible corporate official identified below, who is at a level above the Contractor and who is accountable for the performance of the Contractor. Should the responsible corporate official change during the period of the Contract, the Contractor shall promptly notify the Government of the change in the individual to contact.

Name: _____
(To be completed by Successful Offeror)

Position: _____
(To be completed by Successful Offeror)

Company _____
(To be completed by Successful Offeror)

H.19 CONFIDENTIALITY OF INFORMATION

- (a) To the extent that the work under this Contract requires that the Contractor be given access to confidential or proprietary business, technical, or financial information belonging to the Government or other companies, the Contractor shall, after receipt thereof, treat such information as confidential and agrees not to appropriate such information to its own use or to disclose such information to third parties unless specifically authorized by the Contracting Officer in writing. The foregoing obligations, however, shall not apply to:
- (1) Information, which at the time of receipt by the Contractor, is public domain;

- (2) Information, which is published after receipt thereof by the Contractor or otherwise becomes part of the public domain through no fault of the Contractor;
 - (3) Information, which the Contractor can demonstrate was in its possession at the time of receipt thereof and was not acquired directly or indirectly from the Government or other companies;
 - (4) Information, which the Contractor can demonstrate was received by it from a third party who did not require the Contractor to hold it in confidence.
-
- (b) The Contractor shall obtain the written agreement, in a form satisfactory to the Contracting Officer, of each employee permitted access, whereby the employee agrees that he will not discuss, divulge or disclose any such information or data to any persons or entity except those persons within the Contractor's organization directly concerned with the performance of the Contract.
 - (c) The Contractor agrees, if requested by the Government, to sign an agreement identical, in all material aspects, to the provisions of this clause, with each company supplying information to the Contractor under this Contract, and to supply a copy of such agreement to the Contracting Officer.
 - (d) The Contractor agrees that upon request by DOE it will execute a DOE-approved agreement with any party whose facilities or proprietary data it is given access to or is furnished, restricting use and disclosure of the data or the information obtained from the facilities. Upon request by DOE, such an agreement shall also be signed by the Contractor personnel.
 - (e) This clause shall flow down to all appropriate subcontracts.

H.20 ENVIRONMENTAL PERMITS AND APPLICATIONS

Except as otherwise directed by the Contracting Officer, the Contractor is required to prepare all necessary Federal, State, and local permit applications. If any agency or agencies, which regulate the permits require the signature of an operator on the permit, the Contractor, in recognition of its operator responsibilities, shall sign the permit as required by the regulators. In the event of termination or expiration of this Contract, DOE will require the new Contractor to accept transfer of all environmental permits executed by the Contractor.

H.21 PAYMENT OF OVERTIME PREMIUMS

- (a) Pursuant to paragraph (a) of the clause entitled "Payment of Overtime Premiums," the total cost of the contract contains overtime premium costs as listed below:

Overtime Premium: **TBD**

- (b) Any premium cost required in excess of the above amount shall require prior approval of the Contracting Officer.

H.22 ADMINISTRATION OF SUBCONTRACTS

- (a) The administration of all subcontracts entered into, assumed and/or managed by the contractor, including responsibility for payment thereunder, shall remain with the contractor unless assigned at the direction of the Contracting Officer.
- (b) The DOE reserves the right to direct the contractor to assign to the DOE or another contractor any subcontract awarded, assumed, and/or managed under this contract.
- (c) The DOE reserves the right to identify and remove specific work activities in the SOW of the contract in order to contract directly for the specific work activity. The Contracting Officer will work with the contractor to identify the areas of work that can be performed by small businesses in order to maximize direct federal contracts with small businesses. The contractor agrees to facilitate these actions. This will include identifying direct contracting opportunities for small businesses for work presently performed under subcontracts as well as work performed by contractor employees. The contractor shall notify the Contracting Officer one-year in advance of the expiration of any of its subcontracts or if applicable, one-year prior to the exercise of an option and/or the option notification requirement, if any, contained in a subcontract. The Contracting Officer will review this information and the requirements of the contractor to determine the appropriateness for small business opportunities. This review may result in the DOE electing to enter in contracts directly with small businesses for these areas of work. The Contracting Officer will give notice to the contractor not less than 120 calendar days prior to the date for exercising the option and/or the expiration of the subcontract and/or prior to entering into contract work being performed by contractor employees. Following award of these direct federal contracts, the Contracting Officer may delegate the administration of these contracts to the contractor. The contractor agrees to accept such delegations from the DOE for the administration of these contracts. The parameters of the contractor's responsibilities for the small business contracts and/or changes, if any, to the instant contract will be incorporated via a modification to the contract. The contractor will accept management and administration responsibilities, if so determined.

PART II – CONTRACT CLAUSES

SECTION I

SECTION I

CONTRACT CLAUSES

Application of FAR and DEAR Clauses is incorporated by reference as explained in FAR 52.252-2. Subsequent changes to FAR and DEAR are not applicable to this contract unless incorporated by Contract Modification. Additional information required by certain clauses is provided below.

Clause No.	FAR/DEAR Reference	Title	Fill-In Information (See FAR 52.104(d))
I.1	FAR 52.202-1 DEAR 952.202-1	DEFINITIONS (DEC 2001) (AS MODIFIED BY DEAR DEFINITIONS (APR 2002)	None
I.2	FAR 52.203-3	GRATUITIES (APR 1984)	None
I.3	FAR 52.203-5	COVENANT AGAINST CONTINGENT FEES (APR 1984)	None
I.4	FAR 52.203-6	RESTRICTIONS ON SUBCONTRACTOR SALES TO THE GOVERNMENT (JUL 1995)	None
I.5	FAR 52.203-7	ANTI-KICKBACK PROCEDURES (JUL 1995)	None
I.6	FAR 52.203-8	CANCELLATION, RECISSION, AND RECOVERY OF FUNDS FOR ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)	None
I.7	FAR 52.203-10	PRICE OR FEE ADJUSTMENT FOR ILLEGAL OR IMPROPER ACTIVITY (JAN 1997)	None
I.8	FAR 52.203-12	LIMITATION ON PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (JUN 1997)	None
I.9	FAR 52.204-1	APPROVAL OF CONTRACT (DEC 1989)	DOE Procurement Executive or Designee
I.10	FAR 52.204-4	PRINTED OR COPIED DOUBLE-SIDED ON RECYCLED PAPER (AUG 2000)	None
I.11	FAR 52.209-6	PROTECTING THE GOVERNMENT'S INTEREST WHEN SUBCONTRACTING WITH CONTRACTORS DEBARRED, SUSPENDED, OR PROPOSED FOR DEBARMENT (JUL 1995)	None
I.12	FAR 52.211-5	MATERIAL REQUIREMENTS (AUG 2000)	None
I.13	FAR 52.215-8	ORDER OF PRECEDENCE – UNIFORM CONTRACT FORMAT (OCT 1997)	None
I.14	FAR 52.219-8	UTILIZATION OF SMALL BUSINESS CONCERNS (OCT 2000)	None
I.15	FAR 52.219-9	SMALL BUSINESS SUBCONTRACTING PLAN (JAN 2002)	None

I.16	FAR 52.219-16	LIQUIDATED DAMAGES-SUBCONTRACTING PLAN (JAN 1999)	None
I.17	FAR 52.219-25	SMALL DISADVANTAGED BUSINESS PARTICIPATION PROGRAM – DISADVANTAGED STATUS AND REPORTING (OCT 1999)	None
I.18	FAR 52.222-1	NOTICE TO THE GOVERNMENT OF LABOR DISPUTES (FEB 1997)	None
I.19	FAR 52.222-2	PAYMENT OF OVERTIME PREMIUM (JUL 1990)	OT Premium: TBD
I.20	FAR 52.222-3	CONVICT LABOR (AUG 1996)	None
I.21	FAR 52.222-4	CONTRACT WORK HOURS AND SAFETY STANDARDS ACT-OVERTIME COMPENSATION (SEP 2000)	None
I.22	FAR 52.222-6	DAVIS-BACON ACT (FEB 1995)	None
I.23	FAR 52.222-7	WITHHOLDING OF FUNDS (FEB 1988)	None
I.24	FAR 52.222-8	PAYROLLS AND BASIC RECORDS (FEB 1988)	None
I.25	FAR 52.222-9	APPRENTICES AND TRAINEES (FEB 1988)	None
I.26	FAR 52.222-10	COMPLIANCE WITH COPELAND ACT REQUIREMENTS (FEB 1988)	None
I.27	FAR 52.222-11	SUBCONTRACTS (LABOR STANDARDS) (FEB 1988)	None
I.28	FAR 52.222-12	CONTRACT TERMINATION-DEBARMENT (FEB 1988)	None
I.29	FAR 52.222-13	COMPLIANCE WITH DAVIS-BACON AND RELATED ACT REGULATIONS (FEB 1988)	None
I.30	FAR 52.222-14	DISPUTES CONCERNING LABOR STANDARDS (FEB 1988)	None
I.31	FAR 52.222-15	CERTIFICATION OF ELIGIBILITY (FEB 1988)	None
I.32	FAR 52.222-16	APPROVAL OF WAGE RATES (FEB 1988)	None
I.33	FAR 52.222-20	WALSH-HEALEY PUBLIC CONTRACTS ACT (DEC 1996)	None
I.34	FAR 52.222-21	PROHIBITION OF SEGREGATED FACILITIES (FEB 1999)	None
I.35	FAR 52.222-26	EQUAL OPPORTUNITY (APR 2002)	None
I.36	FAR 52.222-35	EQUAL OPPORTUNITY FOR SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS (DEC 2001)	None

I.37	FAR 52.222-36	AFFIRMATIVE ACTION FOR WORKERS WITH DISABILITIES (JUN 1998)	None
I.38	FAR 52.222-37	EMPLOYMENT REPORTS ON SPECIAL DISABLED VETERANS, VETERANS OF THE VIETNAM ERA, AND OTHER ELIGIBLE VETERANS (DEC 2001)	None
I.39	FAR 52.222-38	COMPLIANCE WITH VETERANS' EMPLOYMENT REPORTING REQUIREMENTS (DEC 2001)	None
I.40	FAR 52.222-41	SERVICE CONTRACT ACT OF 1965, AS AMENDED (MAY 1989)	None
I.41	FAR 52.222-42	STATEMENT OF EQUIVALENT RATES FOR FEDERAL HIRES (MAY 1989)	To be provided during transition period
I.42	FAR 52.223-3	HAZARDOUS MATERIAL IDENTIFICATION AND MATERIAL SAFETY DATA (JAN 1997) ALTERNATE I (JAN 1997)	As Required
I.43	FAR 52.223-5	POLLUTION PREVENTION AND RIGHT-TO-KNOW INFORMATION (APR 1998)	None
I.44	FAR 52.223-6	DRUG-FREE WORKPLACE (MAY 2001)	None
I.45	FAR 52.223-10	WASTE REDUCTION PROGRAM (AUG 2000)	None
I.46	FAR 52.223-11	OZONE-DEPLETING SUBSTANCES (MAY 2001)	None
I.47	FAR 52.223-12	REFRIGERATOR EQUIPMENT AND AIR CONDITIONERS (MAY 1995)	None
I.48	FAR 52.223-14	TOXIC CHEMICAL RELEASE REPORTING (OCT 2000)	None
I.49	FAR 52.224-1	PRIVACY ACT NOTIFICATION (APR 1984)	None
I.50	FAR 52.224-2	PRIVACY ACT (APR 1984)	None
I.51	FAR 52.225-1	BUY AMERICAN ACT-BALANCE OF PAYMENTS PROGRAM—SUPPLIES (MAY 2002)	None
I.52	FAR 52.225-13	RESTRICTIONS ON CERTAIN FOREIGN PURCHASES (JUL 2000)	None
I.53	FAR 52.226-1	UTILIZATION OF INDIAN ORGANIZATIONS AND INDIAN-OWNED ECONOMIC ENTERPRISES (JUN 2000)	None
I.54	FAR 52.227-23	RIGHTS TO PROPOSAL DATA (TECHNICAL) (JUN 1987)	(TBD), (TBD)
I.55	FAR 52.230-2	COST ACCOUNTING STANDARDS (APR 1998)	None

I.56	FAR 52.230-6	ADMINISTRATION OF COST ACCOUNTING STANDARDS (NOV 1999)	None
I.57	FAR 52.232-17	INTEREST (JUN 1996)	None
I.58	FAR 52.232.23	ASSIGNMENT OF CLAIMS (JAN 1986)	None
I.59	FAR 52.233-1	DISPUTES (DEC 1998) ALTERNATE I (DEC 1991)	None
I.60	FAR 52.233-3	PROTEST AFTER AWARD (AUG 1996) ALTERNATE I (JUN 1985)	None
I.61	FAR 52.237-3	CONTINUITY OF SERVICES (JAN 1991)	None
I.62	FAR 52.242-1	NOTICE OF INTENT TO DISALLOW COSTS (APR 1984)	None
I.63	FAR 52.242-13	BANKRUPTCY (JUL 1995)	None
I.64	FAR 52.244-5	COMPETITION IN SUBCONTRACTING (DEC 1996)	None
I.65	FAR 52.244-6	SUBCONTRACTS FOR COMMERCIAL ITEMS (MAY 2002)	None
I.66	FAR 52.247-63	PREFERENCE FOR U.S.-FLAG AIR CARRIERS (JAN 1997)	None
I.67	FAR 52.247-64	PREFERENCE FOR PRIVATELY OWNED U.S.-FLAG COMMERCIAL VESSELS (JUN 2000)	None
I.68	FAR 52.249-6	TERMINATION (COST REIMBURSEMENT) (SEP 1996) (MODIFIED)	Clause Attached (full text)
I.69	FAR 52.249-14	EXCUSABLE DELAYS (APR 1984)	None
I.70	FAR 52.251-1	GOVERNMENT SUPPLY SOURCES (MODIFIED) (APR 1984)	Clause Attached (full text)
I.71	FAR 52.251-2	INTERAGENCY FLEET MANAGEMENT SYSTEM VEHICLES AND RELATED SERVICES (JAN 1991)	Correct last citation to read "41 CFR 101-38."
I.72	FAR 52.252-2	CLAUSES INCORPORATED BY REFERENCE (FEB 1998)	Clause Attached (full text)
I.73	FAR 52.252-6	AUTHORIZED DEVIATIONS IN CLAUSES (APR 1984)	Clause Attached (Full Text)
I.74	FAR 52.253-1	COMPUTER GENERATED FORMS (JAN 1991)	None
I.75	DEAR 952.203-70	WHISTLEBLOWER PROTECTION FOR CONTRACTOR EMPLOYEES (DEC 2000)	None
I.76	DEAR 952.204-2	SECURITY (MAY 2002)	None
I.77	DEAR 952.204-70	CLASSIFICATION/DECLASSIFICATON (SEP 1997)	None
I.78	RESERVED		
I.79	DEAR 952.204-75	PUBLIC AFFAIRS (DEC 2000)	None

I.80	DEAR 952.209-72	ORGANIZATIONAL CONFLICTS OF INTEREST (JUN 1997) ALTERNATE I	Paragraph (b)(1)(i) three (3) years. The words “advisory and assistance services” used throughout this clause shall be changed to “management and professional support services”
I.81	DEAR 952.215-70	KEY PERSONNEL (DEC 2000)	Section J – Appendix G
I.82	DEAR 952.217-70	ACQUISITION OF REAL PROPERTY (APR 1984)	None
I.83	DEAR 952.224-70	PAPERWORK REDUCTION ACT (APR 1984)	None
I.84	DEAR 952.226-74	DISPLACED EMPLOYEE HIRING PREFERENCE (JUN 1997)	None
I.85	DEAR 952.251-70	CONTRACTOR EMPLOYEE TRAVEL DISCOUNTS (DEC 2000)	None
I.86	DEAR 970.5203-1	MANAGEMENT CONTROLS (DEC 2000)	None
I.87	DEAR 970.5203-2	PERFORMANCE IMPROVEMENT AND COLLABORATION (DEC 2000)	None
I.88	DEAR 970.5203-3	CONTRACTOR’S ORGANIZATION (DEC 2000) (DEVIATION) [USE DEAR 970.5204-12 CONTRACTOR’S ORGANIZATION (APR 1984)]	See Clause Attached
I.89	DEAR 970.5204-1	COUNTERINTELLIGENCE (DEC 2000)	None
I.90	DEAR 970.5204-2	LAWS, REGULATIONS, AND DOE/SPRPMO DIRECTIVES (DEC 2000)	None
I.91	DEAR 970.5204-3	ACCESS TO AND OWNERSHIP OF RECORDS (DEC 2000)	Contractor-owned records: (b): Paragraphs (1) through (4) (Paragraph (5) is not applicable to this solicitation/contract)
I.92	DEAR 970.5208-1	PRINTING (DEC 2000)	None
I.93	DEAR 970.5215-1	TOTAL AVAILABLE FEE: BASE FEE AMOUNT AND PERFORMANCE FEE AMOUNT (DEC 2000), ALTERNATE I (DEC 2000) AND ALTERNATE III (DEC 2000)	Alternate III, paragraph (f): TBD
I.94	DEAR 970.5215-2	MAKE OR BUY PLAN (DEC 2000)	None
I.95	DEAR 970.5215-3	CONDITIONAL PAYMENT OF FEE, PROFIT, OR INCENTIVES (DEC 2000) ALTERNATE I (DEC 2000)	Clause Attached (Full Text)
I.96	RESERVED		
I.97	DEAR 970.5222-1	COLLECTIVE BARGAINING AGREEMENTS-MANAGEMENT AND OPERATING CONTRACTS (DEC 2000)	None
I.98	DEAR 970.5222-2	OVERTIME MANAGEMENT (DEC 2000)	None

I.99	DEAR 970.5223-1	INTEGRATION OF ENVIRONMENT, SAFETY AND HEALTH INTO WORK PLANNING AND EXECUTION (DEC 2000)	None
I.100	DEAR 970.5223-2	ACQUISITION AND USE OF ENVIRONMENTALLY PREFERABLE PRODUCTS AND SERVICES (DEC 2000)	None
I.101	DEAR 970.5226-1	DIVERSITY PLAN (DEC 2000)	None
I.102	DEAR 970.5226-3	COMMUNITY COMMITMENT (DEC 2000)	None
I.103	DEAR 970.5227-1	RIGHTS IN DATA—FACILITIES (DEC 2000)	None
I.104	DEAR 970.5227-4	AUTHORIZATION AND CONSENT (DEC 2000)	None
I.105	DEAR 970.5227-5	NOTICE AND ASSISTANCE REGARDING PATENT AND COPYRIGHT INFRINGEMENT (DEC 2000)	None
I.106	DEAR 970.5227-6	PATENT INDEMNITY SUBCONTRACTORS (DEC 2000)	None
I.107	DEAR 970.5227-8	REFUND OF ROYALTIES (XXX 2001)	Clause Attached (Full Text)
I.108	DEAR 970.5227-11	PATENT RIGHTS - MANAGEMENT AND OPERATING CONTRACTS, FOR PROFIT CONTRACTOR, NON-TECHNOLOGY TRANSFER (DEC 2000)	None
I.109	DEAR 970.5228-1	INSURANCE-LITIGATION AND CLAIMS (DEC 2000)	None
I.110	DEAR 970.5229-1	STATE AND LOCAL TAXES	None
I.111	DEAR 970.5231-4	PREEXISTING CONDITIONS (DEC 2000) ALTERNATE I (DEC 2000) OR ALTERNATE II (DEC 2000)	Insert in paragraph (a) “April 1, 2003” *If Alternate I is appropriate, insert in paragraph (a) “April 1, 2003” “Strategic Petroleum Reserve” “DE-AC96-93PO18000” *If Alternate II is appropriate, insert paragraph (c) (see DEAR 970.5321-4)
I.112	DEAR 970.5232-1	REDUCTION OR SUSPENSION OF ADVANCE, PARTIAL, OR PROGRESS PAYMENTS (DEC 2000)	None
I.113	DEAR 970.5232-2	PAYMENTS AND ADVANCES (DEC 2000) ALTERNATE II (DEC 2000), ALTERNATE III (DEC 2000)	None
I.114	DEAR 970.5232-3	ACCOUNTS, RECORDS, AND INSPECTION (DEC 2000)	None
I.115	DEAR 970.5232-4	OBLIGATION OF FUNDS (DEC 2000)	TBD (will be provided at time of award)

I.116	DEAR 970.5232-5	LIABILITY WITH RESPECT TO COST ACCOUNTING STANDARDS (DEC 2000)	None
I.117	DEAR 970.5232-6	WORK FOR OTHERS FUNDING AUTHORIZATIONS (DEC 2000)	None
I.118	DEAR 970.5232-7	FINANCIAL MANAGEMENT SYSTEM (DEC 2000)	None
I.119	DEAR 970.5232-8	INTEGRATED ACCOUNTING (DEC 2000)	None
I.120	DEAR 970.5236-1	GOVERNMENT FACILITY SUBCONTRACT APPROVAL (DEC 2000)	None
I.121	DEAR 970.5237-2	FACILITIES MANAGEMENT (DEC 2000)	None
I.122	DEAR 970.5242-1	PENALTIES FOR UNALLOWABLE COSTS (DEC 2000)	None
I.123	DEAR 970.5243-1	CHANGES (DEC 2000)	None
I.124	DEAR 970.5244-1	CONTRACTOR PURCHASING SYSTEM (DEC 2000)	None
I.125	DEAR 970.5245-1	PROPERTY (DEC 2000)	None

Clause I.68 FAR 52.249-6 - TERMINATION (COST REIMBURSEMENT) (SEP 1996) (MODIFIED)

- (a) The Government may terminate performance of work under this contract in whole or, from time to time, in part, if-
 - (1) The Contracting Officer determines that a termination is in the Government's interest; or
 - (2) The Contractor defaults in performing this contract and fails to cure the default within 10 days (unless extended by the Contracting Officer) after receiving a notice specifying the default. "Default" includes failure to make progress in the work so as to endanger performance.
- (b) The Contracting Officer shall terminate by delivering to the Contractor a Notice of Termination specifying whether termination is for default of the Contractor or for convenience of the Government, the extent of termination, and the effective date. If, after termination for default, it is determined that the Contractor was not in default or that the Contractor's failure to perform or to make progress in performance is due to causes beyond the control and without the fault or negligence of the Contractor as set forth in the Excusable Delays clause, the rights and obligations of the parties will be the same as if the termination was for the convenience of the Government.
- (c) After receipt of a Notice of Termination, and except as directed by the Contracting Officer, the Contractor shall immediately proceed with the following obligations, regardless of any delay in determining or adjusting any amounts due under this clause:
 - (1) Stop work as specified in the notice.
 - (2) Place no further subcontracts or orders (referred to as subcontracts in this clause), except as necessary to complete the continued portion of the contract.
 - (3) Terminate all subcontracts to the extent they relate to the work terminated.
 - (4) Assign to the Government, as directed by the Contracting Officer, all right, title, and interest of the Contractor under the subcontracts terminated, in which case the Government shall have the right to settle or to pay any termination settlement proposal arising out of those terminations.
 - (5) With approval or ratification to the extent required by the Contracting Officer, settle all outstanding liabilities and termination settlement proposals arising from the termination of subcontracts, the cost of which would be reimbursable in whole or in part, under this contract; approval or ratification will be final for purposes of this clause.
 - (6) Transfer title (if not already transferred) and, as directed by the Contracting Officer, deliver to the Government-
 - (i) The fabricated or unfabricated parts, work in process, completed work, supplies, and other material produced or acquired for the work terminated;
 - (ii) The completed or partially completed plans, drawings, information, and other property that, if the contract had been completed, would be required to be furnished to the Government; and
 - (iii) The jigs, dies, fixtures, and other special tools and tooling acquired or manufactured for this contract, the cost of which the Contractor has been or will be reimbursed under this contract.
 - (7) Complete performance of the work not terminated.
 - (8) Take any action that may be necessary, or that the Contracting Officer may direct, for the protection and preservation of the property related to this contract that is in

the possession of the Contractor and in which the Government has or may acquire an interest.

- (9) Use its best efforts to sell, as directed or authorized by the Contracting Officer, any property of the types referred to in paragraph (c)(6) of this clause; *provided, however*, that the Contractor (i) is not required to extend credit to any purchaser and (ii) may acquire the property under the conditions prescribed by, and at prices approved by, the Contracting Officer. The proceeds of any transfer or disposition will be applied to reduce any payments to be made by the Government under this contract, credited to the price or cost of the work, or paid in any other manner directed by the Contracting Officer.
- (d) The Contractor shall submit complete termination inventory schedules no later than 120 days from the effective date of termination, unless extended in writing by the Contracting Officer upon written request of the Contractor within this 120-day period.
- (e) After expiration of the plant clearance period as defined in Subpart 45.6 of the Federal Acquisition Regulation, the Contractor may submit to the Contracting Officer a list, certified as to quantity and quality, of termination inventory not previously disposed of, excluding items authorized for disposition by the Contracting Officer. The Contractor may request the Government to remove those items or enter into an agreement for their storage. Within 15 days, the Government will accept the items and remove them or enter into a storage agreement. The Contracting Officer may verify the list upon removal of the items, or if stored, within 45 days from submission of the list, and shall correct the list, as necessary, before final settlement.
- (f) After termination, the Contractor shall submit a final termination settlement proposal to the Contracting Officer in the form and with the certification prescribed by the Contracting Officer. The Contractor shall submit the proposal promptly, but no later than 1 year from the effective date of termination, unless extended in writing by the Contracting Officer upon written request of the Contractor within this 1-year period. However, if the Contracting Officer determines that the facts justify it, a termination settlement proposal may be received and acted on after 1 year or any extension. If the Contractor fails to submit the proposal within the time allowed, the Contracting Officer may determine, on the basis of information available, the amount, if any, due the Contractor because of the termination and shall pay the amount determined.
- (g) Subject to paragraph (f) of this clause, the Contractor and the Contracting Officer may agree on the whole or any part of the amount to be paid (including an allowance for fee) because of the termination. The contract shall be amended, and the Contractor paid the agreed amount.
- (h) If the Contractor and the Contracting Officer fail to agree in whole or in part on the amount of costs and/or fee to be paid because of the termination of work, the Contracting Officer shall determine, on the basis of information available, the amount, if any, due the Contractor, and shall pay that amount, which shall include the following:
 - (1) All costs reimbursable under this contract, not previously paid, for the performance of this contract before the effective date of the termination, and those costs that may continue for a reasonable time with the approval of or as directed by the

- Contracting Officer; however, the Contractor shall discontinue those costs as rapidly as practicable.
- (2) The cost of settling and paying termination settlement proposals under terminated subcontracts that are properly chargeable to the terminated portion of the contract if not included in paragraph (h)(1) of this clause.
 - (3) The reasonable costs of settlement of the work terminated, including-
 - (i) Accounting, legal, clerical, and other expenses reasonably necessary for the preparation of termination settlement proposals and supporting data;
 - (ii) The termination and settlement of subcontracts (excluding the amounts of such settlements); and
 - (iii) Storage, transportation, and other costs incurred, reasonably necessary for the preservation, protection, or disposition of the termination inventory. If the termination is for default, no amounts for the preparation of the Contractor's termination settlement proposal may be included.
 - (4) A portion of the fee payable under the contract, determined as follows:
 - (i) If the contract is terminated for the convenience of the Government, the settlement shall include a percentage of the fee equal to the percentage of completion of work contemplated under the contract, but excluding subcontract effort included in subcontractors' termination proposals, less previous payments for fee.
 - (ii) If the contract is terminated for default, the total fee payable shall be such proportionate part of the fee as the total number of articles (or amount of services) delivered to and accepted by the Government is to the total number of articles (or amount of services) of a like kind required by the contract.
 - (5) If the settlement includes only fee, it will be determined under paragraph (h)(4) of this clause.
- (i) The cost principles and procedures in Part 31 of the Federal Acquisition Regulation as supplemented in subpart 970.31 of the Department of Energy Regulation, in effect on the date of this contract, shall govern all costs claimed, agreed to, or determined under this clause.
 - (j) The Contractor shall have the right of appeal, under the Disputes clause, from any determination made by the Contracting Officer under paragraph (f), (h), or (l) of this clause, except that if the Contractor failed to submit the termination settlement proposal within the time provided in paragraph (f) and failed to request a time extension, there is no right of appeal. If the Contracting Officer has made a determination of the amount due under paragraph (f), (h) or (l) of this clause, the Government shall pay the Contractor-
 - (1) The amount determined by the Contracting Officer if there is no right of appeal or if no timely appeal has been taken; or
 - (2) The amount finally determined on an appeal.
 - (k) In arriving at the amount due the Contractor under this clause, there shall be deducted-
 - (1) All unliquidated advance or other payments to the Contractor, under the terminated portion of this contract;
 - (2) Any claim which the Government has against the Contractor under this contract; and
 - (3) The agreed price for, or the proceeds of sale of materials, supplies, or other things acquired by the Contractor or sold under this clause and not recovered by or credited to the Government.

- (l) The Contractor and Contracting Officer must agree to any equitable adjustment in fee for the continued portion of the contract when there is a partial termination. The Contracting Officer shall amend the contract to reflect the agreement.
- (m)(1) The Government may, under the terms and conditions it prescribes, make partial payments and payments against costs incurred by the Contractor for the terminated portion of the contract, if the Contracting Officer believes the total of these payments will not exceed the amount to which the Contractor will be entitled.
- (2) If the total payments exceed the amount finally determined to be due, the Contractor shall repay the excess to the Government upon demand, together with interest computed at the rate established by the Secretary of the Treasury under 50 U.S.C. App. 1215(b)(2). Interest shall be computed for the period from the date the excess payment is received by the Contractor to the date the excess is repaid. Interest shall not be charged on any excess payment due to a reduction in the Contractor's termination settlement proposal because of retention or other disposition of termination inventory until 10 days after the date of the retention or disposition, or a later date determined by the Contracting Officer because of the circumstances.
- (n) The provisions of this clause relating to fee are inapplicable if this contract does not include a fee.

Clause I.70 FAR 52.251-1 - GOVERNMENT SUPPLY SOURCES (MODIFIED) (APR 1984)

The Contracting Officer may issue the Contractor an authorization to use Government supply sources in the performance of this contract. Title to all property acquired by the Contractor under such an authorization shall vest in the Government unless otherwise specified in the contract. Such property shall not be considered to be "Government-furnished property," as distinguished from "Government property." The provisions of the clause entitled "Property," shall apply to all property acquired under such authorization.

Clause I.72 FAR 52.252-2 - CLAUSES INCORPORATED BY REFERENCE (FEB 1998)

This contract incorporates one or more clauses by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. Also, the full text of a clause may be accessed electronically at this/these address(es):
<http://www.arnet.gov/far/> (Federal Acquisition Regulations)
[Acquisition Regulation](#) (Department of Energy Acquisition Regulations)

Clause I.73 FAR 52.252-6 - AUTHORIZED DEVIATIONS IN CLAUSES (APR 1984)

- (a) The use in this solicitation or contract of any Federal Acquisition Regulation (48 CFR Chapter 1) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the date of the clause.
- (b) The use in this solicitation or contract of any Department of Energy Regulation (48 CFR Part 9) clause with an authorized deviation is indicated by the addition of "(DEVIATION)" after the name of the regulation.

Clause I.88 DEAR 970.5203-3- CONTRACTOR'S ORGANIZATION (DEC 2000) (DEVIATION)
[Use DEAR 970.5204-12 CONTRACTOR'S ORGANIZATION (APR 1984)]

- (a) Organization chart. As promptly as possible after the execution of this Contract, the Contractor shall furnish to the Contracting Officer a chart showing the names, duties, and organization of key personnel to be employed in connection with the work, and shall furnish from time to time supplementary information reflecting changes therein.
- (b) Supervisory representative of Contractor. Unless otherwise directed by the Contracting Officer, a competent full-time resident supervisory representative of the Contractor satisfactory to the Contracting Officer shall be in charge of the work at the site at all times. This also applies to off-site work.
- (c) Control of employees. The contractor shall be responsible for maintaining satisfactory standards of employee competency, conduct, and integrity and shall be responsible for taking such disciplinary action with respect to his employees as may be necessary. In the event the Contractor fails to remove any employee from the contract work whom DOE deems incompetent, careless, or insubordinate, or whose continued employment on the work is deemed by DOE to be contrary to the public interest, the Government reserves the right to require the Contractor to remove the employee.

Clause I.95 DEAR 970.5215-3 - CONDITIONAL PAYMENT OF FEE, PROFIT, OR INCENTIVES
(DEC 2000) ALTRNATE I (DEC 2000)

(NOTE: DOE is currently finalizing a new "Conditional Payment of Fee" clause through the rule-making process. When the new clause comes into effect, the Contractor will have the option to retain the current clause, or modify the contract and adopt the new clause. If the Contractor elects to adopt the new clause, it shall be at no increase to the cost and fee).

In order for the Contractor to receive all otherwise earned fee, fixed fee, profit, or share of cost savings under the contract in an evaluation period, the Contractor must meet the minimum requirements in paragraphs (a) and (b) of this clause, and if Alternate I is applicable, (a) through (d) of this clause. If the Contractor does not meet the minimum requirements, the DOE Operations/Field Office Manager or designee may make a unilateral determination to reduce the evaluation period's otherwise earned fee, fixed fee, profit or share of cost savings as described in the following paragraphs of this clause.

(a) Minimum requirements for Environment, Safety & Health (ES&H) Program. The Contractor shall develop, obtain DOE approval of, and implement a Safety Management System in accordance with the provisions of the clause entitled, "Integration of Environment, Safety and Health into Work Planning and Execution," if included in the contract, or as otherwise agreed to with the contracting officer. The minimum performance requirements of the system will be set forth in the approved Safety Management System, or similar document. If the Contractor fails to obtain approval of the Safety Management System or fails to achieve the minimum performance requirements of the system during the evaluation period, the DOE Operations/Field Office Manager or designee, at his/her sole discretion, may reduce any otherwise earned fees, fixed fee, profit or share of cost savings for the evaluation period by an amount up to the amount earned.

(b) Minimum requirements for catastrophic event. If, in the performance of this contract, there is a catastrophic event (such as a fatality, or a serious workplace-related injury or illness to one or more Federal, contractor, or subcontractor employees or the general public, loss of control over classified or special nuclear material, or significant damage to the environment), the DOE Operations/Field Office Manager or designee may reduce any otherwise earned fee for the evaluation period by an amount up to the amount earned. In determining any diminution of fee, fixed fee, profit, or share of

cost savings resulting from a catastrophic event, the DOE Operations/Field Office Manager or designee will consider whether willful misconduct and/or negligence contributed to the occurrence and will take into consideration any mitigating circumstances presented by the contractor or other sources.

(c) Minimum requirements for specified level of performance. (1) At a minimum the Contractor must perform the following:

(i) the requirements with specific incentives at the level of performance set forth in the Statement of Work, Work Authorization Directive, or similar document unless an otherwise minimal level of performance has been established in the specific incentive;

(ii) all of the performance requirements directly related to requirements specifically incentivized at a level of performance such that the overall performance of these related requirements is at an acceptable level; and

(iii) all other requirements at a level of performance such that the total performance of the contract is not jeopardized.

(2) The evaluation of the Contractor's achievement of the level of performance shall be unilaterally determined by the contracting officer. To the extent that the Contractor fails to achieve the minimum performance levels specified in the Statement of Work, Work Authorization Directive, or similar document, during the evaluation period, the DOE Operations/Field Office Manager, or designee, may reduce any otherwise earned fee, fixed fee, profit, or shared net savings for the evaluation period. Such reduction shall not result in the total of earned fee, fixed fee, profit, or shared net savings being less than 25% of the total available fee amount. Such 25% shall include base fee, if any.

(d) Minimum requirements for cost performance. (1) Requirements incentivized by other than cost incentives must be performed within their specified cost constraint and must not adversely impact the costs of performing unrelated activities.

(2) The performance of requirements with a specific cost incentive must not adversely impact the costs of performing unrelated requirements.

(3) The Contractor's performance within the stipulated cost performance levels for the evaluation period shall be determined by the contracting officer. To the extent the Contractor fails to achieve the stipulated cost performance levels, the DOE Operations/Field Office Manager, or designee, at his/her sole discretion, may reduce in whole or in part any otherwise earned fee, fixed fee, profit, or shared net savings for the evaluation period. Such reduction shall not result in the total of earned fee, fixed fee, profit or shared net savings being less than 25% of the total available fee amount. Such 25% shall include base fee, if any

Clause I.107 DEAR 970.5227-8 - REFUND OF ROYALTIES (XXX 2001)

(a) During performance of this Contract, if any royalties are proposed to be charged to the Government as costs under this Contract, the Contractor agrees to submit for approval of the Contracting Officer, prior to the execution of any license, the following information relating to each separate item of royalty:

- (1) Name and address of licensor;
- (2) Patent number, patent application serial number, or other basis on which the royalty is payable;

- (3) Brief description, including any part or model numbers of each contract item or component on which the royalty is payable;
 - (4) Percentage or dollar rate of royalty per unit;
 - (5) Unit price of contract item;
 - (6) Number of units;
 - (7) Total dollar amount of royalties; and
 - (8) A copy of the proposed license agreement.
- (b) If specifically requested by the Contracting Officer, the Contractor shall furnish a copy of any license agreement entered into prior to the effective date of this clause and an identification of applicable claims of specific patents or other basis upon which royalties are payable.
 - (c) The term "royalties" as used in this clause refers to any costs or charges in the nature or royalties, license fees, patent or license amortization costs, or the like, for the use of or for rights in patents and patent applications that are used in the performance of this contract or any subcontract hereunder.
 - (d) The Contractor shall furnish to the Contracting Officer, annually upon request, a statement of royalties paid or required to be paid in connection with performing this Contract and subcontractors hereunder.
 - (e) For royalty payments under licenses entered into after the effective date of this Contract, costs incurred for royalties proposed under this paragraph shall be allowable only to the extent that such royalties are approved by the Contracting Officer. If the Contracting Officer determines that existing or proposed royalty payments are inappropriate, and payments subsequent to such determination shall be allowable only to the extent approved by the Contracting Officer.
 - (f) Regardless of prior DOE approval of any individual payments or royalties, DOE may contest at any time the enforceability, validity, scope of, or title to a patent for which the Contractor makes a royalty or other payment.
 - (g) If at any time within 3 years after final payment under this Contract, the Contractor for any reason is relieved in whole or in part from the payment of any royalties to which this clause applies, the Contractor shall promptly notify the Contracting Officer of that fact and shall promptly reimburse the Government for any refunds received or royalties paid after having received notice of such relief.
 - (h) The Contractor agrees to include, and require inclusion of, this clause, including this paragraph (h), suitably modified to identify the parties in any subcontract at any tier in which the amount of royalties reported during negotiation of the subcontract exceeds \$250.

PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS

SECTION J

LIST OF ATTACHMENTS

PART III**SECTION J****LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS****LIST OF ATTACHMENTS**

Document	Number of Pages
<u>Appendix A – Personnel Appendix</u>	1
<u>Appendix B – Work Authorization Directives</u>	1
<u>Appendix C – Special Financial Institution Account Agreement for Use with the Payments Cleared Financing Agreement</u>	7
<u>Appendix D – Small Business Subcontracting Plan</u>	1
<u>Appendix E – Wage Determinations</u>	1
<u>Appendix F – List of Applicable DOE/SPRPMO Directives</u>	6
<u>Appendix G – Key Personnel</u>	1
<u>Appendix H – Reporting Requirements</u>	1
<u>Appendix I – Performance Guarantee Agreement</u>	1
<u>Appendix J – Small Disadvantaged Business Participation Program Targets</u>	1

PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS
SECITON J – LIST OF ATTACHMENTS

APPENDIX A – PERSONNEL APPENDIX

In accordance with the Section H Clause entitled “Advance Understanding on Human Resources,” the selected Offeror and DOE will reach an advance understanding on Contractor human resources during the transition period.

PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS
SECTION J – LIST OF ATTACHMENTS

APPENDIX B - WORK AUTHORIZATION DIRECTIVES

The Contracting Officer will issue all Work Authorization Directives under separate cover.

PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS
SECTION J – LIST OF ATTACHMENTS

APPENDIX C

**SPECIAL FINANCIAL INSTITUTION ACCOUNT AGREEMENT FOR USE WITH
THE PAYMENTS CLEARED FINANCING AGREEMENT**

*NOTE: THE OFFEROR SELECTED FOR AWARD WILL BE REQUIRED TO AWARD A
COMPETITIVE SUBCONTRACT TO A FINANCIAL INSTITUTION DURING THE
TRANSITION PERIOD*

(Name of Contractor)
Contract Number DE-AC96-XXXXXXXXXX
Department of Energy Account

Agreement entered into this, _____ day of _____, _____, between the UNITED STATES OF AMERICA, represented by the Department of Energy (hereinafter referred to as "DOE"), and _____, a corporation/legal entity existing under the laws of the State of _____ (hereinafter referred to as the Contractor) and the _____, a financial institution corporation existing under the laws of the State of _____, located at _____ (hereinafter referred to as the "Financial Institution").

RECITALS

- (a) On the effective date of _____, _____, _____, DOE and the Contractor entered into Agreement(s) No. _____, or a Supplemental Agreement(s) thereto, providing for the transfer of funds on a payments-cleared basis.
- (b) DOE requires that amounts transferred to the Contractor thereunder be deposited in a special demand deposit account at a financial institution covered by Department of the Treasury-approved Government deposit insurance organizations that are identified in I TFM 6-9000 (See Fig. IX-10).

These special demand deposits must be kept separate from the Contractor's general or other funds, and the parties agreeable to so depositing said amounts with the Financial Institution.

- (c) The Special Bank Account shall be designated [Name of Contractor], [account title] Account.

COVENANTS

In consideration of the foregoing, and for other good and valuable considerations, it is agreed that-

- (1) The Government shall have title to the credit balance in said account to secure the repayment of all funds transferred to the Contractor and said title shall be superior to any lien, title, or claim of the Financial Institution with respect to such accounts.
- (2) The Financial Institution shall be bound by the provisions of said Agreement(s) between DOE and the Contractor relating to the transfer of funds into and withdrawal from the above special demand deposit account, which are hereby incorporated into this Agreement by reference, but the Financial Institution shall not be responsible for the application of funds withdrawn from the said Account. After receipt by the Financial Institution of directions from DOE, the Financial Institution shall act thereon and shall be under no liability to any party hereto for any action taken in accordance with the said written directions. Any written directions received by the Financial Institution from the Government upon DOE stationery and purporting to be signed by, or signed at the written direction of, the Government, may, insofar as the rights, duties and liabilities of the Financial Institution are concerned be considered as having been properly issued and filed with the Financial Institution by DOE.
- (3) DOE, or its authorized representatives, shall have access to financial records maintained by the Financial Institution with respect to such special demand deposit account at all reasonable times and for all reasonable purposes, including, but without limitation to, the inspection or copying of such financial records and any or all memoranda, checks, payment requests, correspondence, or documents pertaining thereto. Such financial records shall be preserved by the Financial Institution for a period of six (6) years after the final payment under the Agreement.
- (4) In the event of the services of any writ of attachment, levy of execution, or commencement of garnishment proceedings with respect to the special demand deposit account, the Financial Institution shall promptly notify DOE at-

U.S. Department of Energy
Project Management Office
Planning and Financial Management Division
900 Commerce Road East
New Orleans, LA 70123

- (5) DOE shall authorize funds that shall remain available to the extent obligations have been incurred in good faith thereunder by the Contractor to the Financial Institution for the benefit of the special demand deposit account. The Financial Institution agrees to honor, upon presentation for payment, all payments issued by the Contractor and to restrict all withdrawals against the funds authorized to an amount sufficient to maintain the average daily balance in the special demand deposit account in a net positive and as close to zero as administratively possible. In addition, it is also agreed that the Financial Institution shall pay interest penalties on positive balances as follows:

The Financial Institution agrees to service the account in this manner based on the requirements and specifications contained in solicitation No. _____ dated _____, _____. The Financial Institution agrees that per item costs", detailed in the form "Schedule of Financial Institution Processing Charges," contained in the Financial Institution's aforesaid bid will remain constant during the term of this Agreement. The Financial Institution shall calculate the monthly fees based on services rendered and invoice the contractor. The contractor shall issue a check or automated clearing house authorization transfer to the Financial Institution in payment thereof.

- (6) The Financial Institution shall post collateral, acceptable under Department of Treasury Circular 176, with the Federal Reserve Bank in an amount equal to the net balance in all of the accounts included in this Agreement (including the noninterest-bearing time deposit account), less the Department of Treasury-approved deposit insurance.
- (7) This Agreement, with all its provisions and covenants, shall be in effect for a term of _____ years, beginning on the _____ day of _____, _____ and ending on the _____ day of _____, _____.
- (8) DOE, the Contractor, or the Financial Institution may terminate this Agreement at any time within the Agreement period upon submitting written notification to the others parties ninety (90) days prior to the desired termination date. The specific provisions for operating the account during this 90-day period are contained in covenant (11).
- (9) DOE or the Contractor may terminate this Agreement at any time upon thirty (30) days' written notice to the Financial Institution if DOE or the Contractor, or both parties, find that the Financial Institution has failed to substantially perform its obligations under this Agreement or that the Financial Institution is performing its obligations in a manner which precludes administering the program in an effective and efficient manner or that precludes the effective utilization of the Government's cash resources.

- (10) Notwithstanding the provisions of Covenants 8 and 9, in the event the Agreement referenced in Recital (a), between DOE and the Contractor is not renewed or is terminated, this Agreement between DOE, the Contractor, and the Financial Institution shall be terminated automatically upon the delivery of written notice to the Financial Institution.
- (11) In the event of termination, the Financial Institution agrees to retain the Contractor's special demand deposit account for an additional 90-day period to clear outstanding payment items. (For compensation by noninterest-bearing time deposit only.)

Within 7 days of the expiration of the Agreement term, an analysis of the special demand deposit account shall be made by DOE to determine whether an insufficient or excessive balance was maintained in the time deposit account to compensate the Financial Institution for service rendered up to the expiration date.

- (a) If the analysis indicates that the Financial Institution has been insufficiently compensated for services rendered up to the expiration of the Agreement, the Contractor shall-
 - 1. Maintain on deposit, during this 90-day period, sufficient Federal funds to reimburse the Financial Institution for prior cumulative loss of earnings, and
 - 2. Maintain on deposit in the time deposit account sufficient Federal funds to compensate the Financial Institution for services rendered.
- (b) If the analysis indicates that the Financial Institution has been overcompensated for services rendered up to the expiration of the Agreement, DOE shall close out the time deposit account and secure from the Financial Institution a payment in an amount equal to the cumulative excess compensation less compensation for estimated services to be rendered during the 90-day period.
- (c) If cumulative excess compensation is not sufficient to compensate the Financial Institution for services rendered during the 90-day period, adjustments shall be made to the time deposit account to compensate the Financial Institution for the difference between the cost of services rendered during the 90-day period and the cumulative excess compensation.

This Agreement shall continue in effect, for the 90-day additional period, with the exception of the following:

1. Term Agreement (Covenant 7)
2. Termination of Agreement (Covenants 8 and 9)

All terms and conditions of the aforesaid bid submitted by the Financial Institution that are not inconsistent with this 90-day additional term shall remain in effect for this period.

The Financial Institution has submitted the forms entitled "Technical Representations and Certifications," "Schedule of Financial Institution Processing Charges," and "Calculation of Time Account Balance Required." These forms have been accepted by the Contractor and the Government and are incorporated herein with the document entitled, "Financial Institution's Information on the Payments Cleared Arrangement" as an integral part of this Agreement.

IN WITNESS WHEREOF the parties hereto have caused this Agreement, which consists of _____ pages, to be executed as of the day and year first above written.

Date Signed

By: _____
(Typed Name of Contracting Officer)

(Signature of Contracting Officer)

WITNESS

(Typed Name of Witness)

(Typed Name of Contractor)

(Signature of Witness)

By: _____
(Name of Contractor's Representative)

Note: In the case of a corporation,
a witness is not required. Type or
print names under all signatures.

(Signature of Contractor's Representative)

(Title)

(Address)

(Date Signed)

(Name of Witness)

(Name of Financial Institution)

By: _____
(Name of Financial Institution Representative)

(Signature of Witness)

(Signature of Financial Institution Representative)

Note: In the case of a corporation,
a witness is not required. Type or
print names under all signatures.

(Title)

(Address)

(Date Signed)

NOTE

The contractor, if a corporation, shall cause the following Certificate to be executed under its corporate seal, provided that the same officer shall not execute both the Agreement and the Certificate.

CERTIFICATE

I, _____, certify that I am the _____ of corporation named as Contractor herein; that _____, who signed this Agreement on behalf of the contractor, was then _____ of said corporation; and that said Agreement was duly signed for in behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

(Corporate Seal) (Signature)

Note

Financial Institution, if a corporation, shall cause the following Certificate to be executed under its corporate seal, provided that the same officer shall not execute both the Agreement and the Certificate.

CERTIFICATE

I, _____, certify that I am the _____ of corporation named as Financial Institution herein; that _____, who signed this Agreement on behalf of the Financial Institution, was then _____ of said corporation; and that said Agreement was duly signed for in behalf of said corporation by authority of its governing body and is within the scope of its corporate powers.

(Corporate Seal) (Signature)

PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS
SECTION J – LIST OF ATTACHMENTS

APPENDIX D - SMALL BUSINESS SUBCONTRACTING PLAN

The Offeror's Small Business Subcontracting Plan will be placed here. Instructions for preparation of the plan are found in Section L, Attachment C.

Annual Plans for future fiscal years will be incorporated in the contract by modification.

PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS
SECITON J – LIST OF ATTACHMENTS

APPENDIX E - SERVICE CONTRACT ACT (SCA) WAGE DETERMINATIONS

The SCA Wage Determinations applicable to the current Management and Operating contract for the period April 1, 2002 through March 31, 2003 are:

State(s)	Wage Determination No.
Louisiana: (Jefferson Parish)	1994-2233 Revision No. 18 (5/31/2001)
Louisiana: [Iberville Parish (Bayou Choctaw site)]	1994-2231 Revision No. 18 (5/31/2001)
Louisiana/Texas: [Cameron Parish, LA (West Hackberry site) and Jefferson County, TX (Big Hill site)]	1994-2505 Revision No. 17 (5/31/2001)
Texas: [Brazoria County (Bryan Mound)]	1994-2515 Revision No. 21 (5/31/2001)

These Wage Determinations are available at: [FedWorld Service Contract Act Online Homepage](#)

Wage Determinations are requested from the Department of Labor annually and are incorporated by modification.

PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS
SECTION J – LIST OF ATTACHMENTS

APPENDIX F - LIST OF APPLICABLE DOE/SPRPMO DIRECTIVES

<u>DOE/SPRPMO DIRECTIVES</u>	<u>Date</u>	<u>Title</u>
APPH Ch. V	05/02/83	Inventories
APPH Ch. X.	06/30/80	Product Cost Accounting
DOE O 110.3	11/03/99	Conference Management
DOE O 130.1	09/29/95	Budget Formulation Process
DOE O 135.1	09/30/95	Budget Execution-Funds Distribution and Control
DOE O 137.1A	08/30/99	Plan for Operating in the Event of a Lapse in Appropriations
DOE O 151.1A	11/01/00	Comprehensive Emergency Management System
DOE O 200.1	09/30/96	Information Management Program
DOE O 210.1	09/27/95	Performance Indicators and Analysis of Operations Information
Change 001	10/26/95	
Change 002	05/01/96	
DOE O 221.1	03/22/01	Reporting Fraud, Waste, and Abuse to the Office of Inspector General
DOE O 221.2	03/22/01	Cooperation with the Office of Inspector General
DOE O 221.3	12/17/01	Establishment of Management Decisions on Inspector General Reports
DOE O 224.1	12/08/97	Contractor Performance-Based Business Management Process
DOE O 224.2	03/22/01	Auditing of Programs and Operations
DOE O 225.1A	11/26/97	Accident Investigations
DOE O 231.1	09/30/95	Environment, Safety and Health Reporting
Change 2	11/7/96	
DOE O 232.1A	07/21/97	Occurrence Reporting and Processing of Operations Information
DOE O 241.1	08/17/98	Scientific and Technical Information Management
DOE O 251.1A	01/30/98	Directives System
DOE O 252.1	11/19/99	Technical Standards
DOE G 252.1-1	11/19/99	Technical Standards Program Guide
DOE O 311.1A	12/30/96	Equal Employment Opportunity Program
DOE O 350.1	09/30/96	Contractor Human Resource Management Programs
Change 001	05/08/98	
DOE O 412.1	04/20/99	Work Authorization System

PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS
SECTION J – LIST OF ATTACHMENTS

DOE O 413.1	12/06/95	Management Control Program
DOE O 413.3	10/13/00	Program and Project Management for the Acquisition of Capital Assets
DOE O 414.1A Change 1	09/29/99 07/12/01	Quality Assurance
DOE O 420.1 Change 1 Change 2 Change 3	10/13/95 11/16/95 10/24/96 11/22/00	Facility Safety
DOE O 430.1A	10/14/98	Life-Cycle Asset Management
DOE O 430.2A	04/15/02	Departmental Energy & Utilities Management
DOE O 440.1A	03/27/98	Worker Protection Management for DOE Federal and Contractor Employees
DOE O 440.2A	03/08/02	Aviation Management Safety
DOE O 442.1A	06/06/01	Employee Concerns Program
DOE O 451.1B Change 1	10/26/00 09/28/01	National Environmental Policy Act Compliance Program
DOE O 460.1 A	10/02/96	Packaging and Transportation Safety
DOE O 460.2 Change 001	09/27/95 10/26/95	Departmental Materials Transportation and Packaging Management
DOE O 470.1 Change 001	09/28/95 06/21/96	Safeguards and Security Program
DOE O 470.2	12/23/98	Safeguards and Security Inspection and Assessment Program
DOE O 471.1	09/25/95	Identification and Protection of Unclassified Controlled Nuclear Information
DOE O 471.2A	03/27/97	Information Security Program
DOE O 472.1B	03/24/97	Personnel Security Activities
DOE O 473.2	06/30/00	Protective Force Program
DOE O 481.1	09/30/96	Work for Others (Non-Department of Energy Funded Work)
DOE O 534.1A	07/05/01	Accounting
DOE O 551.1A	08/29/00	Official Foreign Travel
DOE 1220.1A Change 001	04/09/92 06/28/92	Congressional and Intergovernmental Affairs
DOE 1230.2	04/08/92	American Indian Tribal Government Policy
DOE 1300.2A	05/19/92	Department of Energy Technical Standards Program
DOE 1300.3	08/23/90	Policy on the Protection of Human Subjects

PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS
SECTION J – LIST OF ATTACHMENTS

DOE 1330.1D**	05/18/92	Computer Software Management
DOE 1340.1B	01/07/93	Management of Public Communications Publications and Scientific Technical and Engineering Publications
DOE 1350.1 Change 001	10/28/81 03/26/84	Audiovisual and Exhibits Management
DOE 1410.2**	04/29/85	Mail Management
DOE 1450.3A**	09/12/91	Call Control/Verification Programs and Authorized Use of Government Telephone
Change 001	04/09/92	Systems
DOE 1450.4	11/12/92	Consensual Listening-In to or Recording Telephone/Radio Conversations
DOE 1700.1**	11/19/79	Freedom Of Information Program
Change 001	10/08/81	
Change 002	04/05/82	
Change 003	05/18/92	
Change 004	08/21/92	
DOE 1800.1A**	08/31/84	Privacy Act
Change 001	05/18/92	
DOE 2100.8A	01/27/93	Cost Accounting, Cost Recovery, and Interagency Sharing of Information Technology Facilities
DOE 2110.1A	07/14/88	Pricing of Departmental Materials and Services
Change 001	10/05/88	
Change 002	05/18/92	
DOE 2200.13	09/27/91	Oversight of Integrated Contractor Financial Management
DOE 2300.1B	06/08/92	Audit Resolution and Follow-up
DOE 2340.1C	06/08/92	Coordination of General Accounting Office Activities
DOE 5400.1	11/09/88	General Environmental Program
Change 1	06/29/90	
DOE 5400.5 *	02/08/90	Radiation Protection of the Public and the Environment
Change 1	06/05/90	
Change 2	01/07/93	
DOE 5480.4	05/15/84	Environmental Protection, Safety, and Health Protection Standards
Change 1	05/16/88	
Change 2	05/16/89	
Change 3	09/20/91	

PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS
SECTION J – LIST OF ATTACHMENTS

Change 4	01/07/03	
DOE 5480.19	07/09/90	Conduct of Operations Requirements for DOE Facilities
Change	05/18/92	
Change 2	10/23/01	
DOE 5480.22	02/25/92	Technical Safety Requirements
Change 1	09/15/92	
Change2	01/23/96	
DOE 5530.1A	09/20/91	Accident Response Group
DOE 5530.4	09/20/91	Aerial Measuring System
DOE 5560.1A	05/08/85	Priorities and Allocations Program
DOE 5632.1C	07/15/94	Protection and Control of Safeguards and Security Interests
DOE 5639.8A	07/23/93	Security of Foreign Intelligence Information and Sensitive Compartmented Information Facilities
DOE 5670.1A	01/15/92	Management and Control of Foreign Intelligence
DOE 5670.3	09/04/92	Counterintelligence Program
DOE 6430.1A	04/06/89	General Design Criteria
DOE G 205.1-1	03/08/01	Cyber Security Architecture Guidelines
DOE G 205.2-1	07/12/01	Computer Software Piracy
DOE G 205.3-1	11/23/99	Password Guide
DOE G 241.1-1A	11/23/01	Guide to the Management of Scientific and Technical Information
DOE G 430.1-4	09/92/99	Decommissioning Implementation Guide
DOE M 135.1-1	09/30/95	Budget Execution Manual
DOE M 232.1-1A	07/21/97	Occurrence Reporting and Processing of Operations Information
DOE M 251.1-1A	01/30/98	Directives System Manual
DOE M 440.1-1	03/29/96	DOE Explosives Manual
DOE M 471.2-1B	01/06/99	Classified Matter Protection and Control Manual
DOE M 471.2-2	08/03/99	Classified Information Systems Security Manual
DOE M 472.1-1B	07/12/01	Personal Security Program Manual
DOE M 473.2-1A	01/17/02	Firearms Qualification Courses Manual
DOE M 473.2-2	06/30/00	Protective Force Program Manual
Change 1	12/20/01	
DOE M 475.1-1	05/08/98	Identifying Classified Information
DOE M 573.1-1	07/12/00	Mail Servers User's Manual

PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS
SECTION J – LIST OF ATTACHMENTS

DOE M 5632.1C-1 Change 001	07/15/94 04/10/96	Manual for Protection and Control of Safeguards and Security Interests
DOE N 142.1	07/14/99	Unclassified Foreign Visits and Assignments
DOE N 203.1	10/02/00	Software Quality Assurance
DOE N 205.1	07/25/99	Unclassified Cyber Security Program
DOE N 205.2	11/01/99	Foreign National Access to Cyber Systems
DOE N 205.3	11/23/99	Password Generation, Protection, and Use
DOE N 205.4	03/18/02	Handling Cyber Security Alerts and Advisories and Reporting Cyber Security Incidents
DOE N 350.5	04/15/99	Use of Facility Contractor Employees for Services to DOE in the Washington D.C., Area
DOE N 473.1	10/28/99	Carrying Semiautomatic Pistols with a Round in the Chamber
DOE N 473.4	05/26/00	Department of Energy Badges
DOE N 473.5	06/05/00	Security Area Vouching and Piggybacking
DOE N 473.6	09/18/00	Security Conditions
DOE N 473.7	10/26/00	Explosive Detection Program
DOE P 142.1	07/14/99	Unclassified Foreign Visits and Assignments
DOE P 251.1	02/19/96	Directives System
DOE P 411.1	01/28/97	Safety Management Functions, Responsibilities, and Authorities Policy
DOE P 441.1	04/26/96	DOE Radiological Health and Safety Policy
DOE P 450.1	06/15/95	Environment, Safety and Health Policy for the DOE Complex
DOE P 450.2A	05/15/06	Identifying, Implementing, and Complying with ES&H Requirements
DOE P 450.3	01/25/96	Authorizing Use of the Necessary and Sufficient Process for Standards based ES&H
DOE P 450.4	10/15/96	Safety Management System Policy
DOE P 450.5	06/26/97	Line Environment, Safety, and Health Oversight
DOE P 450.6	04/14/98	Secretarial, Policy Statement Environmental, Safety, and Health
SPRPMO O 130.1	10/02/00	Management and Operating Contractor's Annual Operating Plan Formulation and Execution
SPRPMO O 151.2 Change 1	08/18/98 01/23/01	Drawdown Readiness Program
SPRPMO O 200.1	12/11/00	Intranet/Internet Web Page Publishing Process
SPRPMO O 220.1A	01/23/02	On-Site Management Appraisals
SPRPMO O 220.2	10/13/99	Observation Reports

PART III – LIST OF DOCUMENTS, EXHIBITS, AND OTHER ATTACHMENTS
SECTION J – LIST OF ATTACHMENTS

SPRPMO O 232.1A Change 1	05/27/98 09/29/00	Occurrence Reporting and Processing of Operation Information
SPRPMO O 413.1A Change 1	08/25/98 08/29/00	SPR Crude Oil Quality Program and Test Criteria
SPRPMO O 414.1	02/09/00	Quality Assurance
SPRPMO O 420.1	03/17/00	Conduct of Operations Requirements for SPR Facilities
SPRPMO O 430.1	07/18/96	SPRPMO Reliability, Availability and Maintainability Program
SPRPMO O 432.1	03/30/99	SPR Facilities/Equipment Turnover and Startup Procedure
SPRPMO O 433.1 Change 1	09/03/99 09/17/01	Maintenance Management Program
SPRPMO O 434.1A	07/09/01	Recovery Program
SPRPMO O 440.1	11/04/99	Aviation
SPRPMO O 451.1A	10/01/97	SPRPMO National Environmental Policy Act (NEPA) Implementation Plan
SPRPMO O 471.1	03/15/02	Sensitive Unclassified Information
SPRPMO 2200.6	12/14/94	Financial Accounting for the SPR Crude Oil Inventory
SPRPMO 3790.1	05/19/86	SPRPMO Employee Occupational Medical and Counseling Programs
SPRPMO 5700.6-3A	11/07/96	SPR Crude Oil Measurement Program
SPRPMO 6430.1	03/04/85	SPR Design Criteria
SPRPMO M 410.1-1	04/02/01	Configuration Management Program Manual
SPRPMO M 414.1-1	03/15/02	Quality Assurance Manual
SPRPMO M 434.1-1A	10/21/97	Petroleum Accountability Manual
SPRPMO M 442.1-1	10/21/99	Employee Concerns Manual
SPRPMO M 470.1-1	05/23/96	SPRPMO Security Policy Manual

<http://www.directives.doe.gov/serieslist.html> (Department of Energy Directives)

APPENDIX G - KEY PERSONNEL

Pursuant to the clause entitled “Key Personnel,” the following positions are considered to be essential to work being performed.

(This appendix will be completed during the transition period)

<u>Title</u>	<u>Name</u>

APPENDIX H
DOE FORM 1332.1, REPORTING REQUIREMENTS CHECKLIST

The Reporting Requirements Checklist and specific guidance will be provided to the successful Offeror during the transition period.

DOE F 1332.1
(11-84)U.S. DEPARTMENT OF ENERGY
REPORTING REQUIREMENTS CHECKLISTFORM APPROVED
OMB NO. 1990-1401

1. PROGRAM/PROJECT TITLE Management and Operation (M&O) Strategic Petroleum Reserve	2. IDENTIFICATION NUMBER DE-AC96-03PO92207									
3. PARTICIPANT NAME AND ADDRESS TBD										
4. PLANNING AND REPORTING REQUIREMENTS										
A. General Management <input type="checkbox"/> Management Plan <input type="checkbox"/> Status Report <input type="checkbox"/> Summary Report B. Schedule/Labor/Cost <input type="checkbox"/> Milestone Schedule/Plan <input type="checkbox"/> Labor Plan <input type="checkbox"/> Facilities Capital Cost of Money Factors Computation <input type="checkbox"/> Contract Facilities Capital and Cost of Money <input type="checkbox"/> Cost Plan <input type="checkbox"/> Milestone Schedule/Status <input type="checkbox"/> Labor Management Report <input type="checkbox"/> Cost Management Report C. Exception Reports <input type="checkbox"/> Conference Record <input type="checkbox"/> Hot Line Report D. Performance Measurement <input type="checkbox"/> Management Control System Description <input type="checkbox"/> WBS Dictionary <input type="checkbox"/> Index <input type="checkbox"/> Element Definition <input type="checkbox"/> Cost Performance Reports <input type="checkbox"/> Format 1 – WBS Lev. 4 <input type="checkbox"/> Format 2 - Function <input type="checkbox"/> Format 3 – Baseline	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="width: 20%; text-align: center;">Frequency</th> </tr> </thead> <tbody> <tr> <td style="padding: 5px;"> E. Financial Incentives <input type="checkbox"/> Statement of Income and Expense <input type="checkbox"/> Balance Sheet <input type="checkbox"/> Cash Flow Statement <input type="checkbox"/> Statement of Changes in Financial Position <input type="checkbox"/> Loan Drawdown Report <input type="checkbox"/> Operating Budget <input type="checkbox"/> Supplementary Information </td> <td style="width: 20%;"></td> </tr> <tr> <td style="padding: 5px;"> F. Technical <input type="checkbox"/> Notice of Energy RD&D Project (Required with any of the following) <input type="checkbox"/> Technical Progress Report <input type="checkbox"/> Draft for Review <input type="checkbox"/> Final for Approval <input type="checkbox"/> Topical Report <input type="checkbox"/> Final Technical Report <input type="checkbox"/> Draft for Review <input type="checkbox"/> Final for Approval <input type="checkbox"/> Software <input type="checkbox"/> Other (Specify) As Needed </td> <td style="width: 20%;"></td> </tr> </tbody> </table>		Frequency	E. Financial Incentives <input type="checkbox"/> Statement of Income and Expense <input type="checkbox"/> Balance Sheet <input type="checkbox"/> Cash Flow Statement <input type="checkbox"/> Statement of Changes in Financial Position <input type="checkbox"/> Loan Drawdown Report <input type="checkbox"/> Operating Budget <input type="checkbox"/> Supplementary Information		F. Technical <input type="checkbox"/> Notice of Energy RD&D Project (Required with any of the following) <input type="checkbox"/> Technical Progress Report <input type="checkbox"/> Draft for Review <input type="checkbox"/> Final for Approval <input type="checkbox"/> Topical Report <input type="checkbox"/> Final Technical Report <input type="checkbox"/> Draft for Review <input type="checkbox"/> Final for Approval <input type="checkbox"/> Software <input type="checkbox"/> Other (Specify) As Needed				
	Frequency									
E. Financial Incentives <input type="checkbox"/> Statement of Income and Expense <input type="checkbox"/> Balance Sheet <input type="checkbox"/> Cash Flow Statement <input type="checkbox"/> Statement of Changes in Financial Position <input type="checkbox"/> Loan Drawdown Report <input type="checkbox"/> Operating Budget <input type="checkbox"/> Supplementary Information										
F. Technical <input type="checkbox"/> Notice of Energy RD&D Project (Required with any of the following) <input type="checkbox"/> Technical Progress Report <input type="checkbox"/> Draft for Review <input type="checkbox"/> Final for Approval <input type="checkbox"/> Topical Report <input type="checkbox"/> Final Technical Report <input type="checkbox"/> Draft for Review <input type="checkbox"/> Final for Approval <input type="checkbox"/> Software <input type="checkbox"/> Other (Specify) As Needed										
5. FREQUENCY CODES <table style="width: 100%;"> <tr> <td style="width: 33%;">A – As Required</td> <td style="width: 33%;">M – Monthly</td> <td style="width: 33%;">S – Semi-Annually</td> </tr> <tr> <td>C – Change to Contractual Agreement</td> <td>O – Once After Award</td> <td>X – With Proposal/Bid/Application or with Significant Changes</td> </tr> <tr> <td>F – Final (end of effort)</td> <td>Q – Quarterly</td> <td>Y – Yearly or Upon Renewal of Contractual Agreement</td> </tr> </table>		A – As Required	M – Monthly	S – Semi-Annually	C – Change to Contractual Agreement	O – Once After Award	X – With Proposal/Bid/Application or with Significant Changes	F – Final (end of effort)	Q – Quarterly	Y – Yearly or Upon Renewal of Contractual Agreement
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C – Change to Contractual Agreement	O – Once After Award	X – With Proposal/Bid/Application or with Significant Changes								
F – Final (end of effort)	Q – Quarterly	Y – Yearly or Upon Renewal of Contractual Agreement								
6. SPECIAL INSTRUCTIONS (ATTACHMENTS) <table style="width: 100%;"> <tr> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> Report Distribution List/Addressees <input type="checkbox"/> Reporting Elements <input type="checkbox"/> Due Dates </td> <td style="width: 50%; vertical-align: top;"> <input type="checkbox"/> Analysis Thresholds <input type="checkbox"/> Work Breakdown Structure <input type="checkbox"/> Other </td> </tr> </table>		<input type="checkbox"/> Report Distribution List/Addressees <input type="checkbox"/> Reporting Elements <input type="checkbox"/> Due Dates	<input type="checkbox"/> Analysis Thresholds <input type="checkbox"/> Work Breakdown Structure <input type="checkbox"/> Other							
<input type="checkbox"/> Report Distribution List/Addressees <input type="checkbox"/> Reporting Elements <input type="checkbox"/> Due Dates	<input type="checkbox"/> Analysis Thresholds <input type="checkbox"/> Work Breakdown Structure <input type="checkbox"/> Other									
7. PREPARED BY (SIGNATURE AND DATE)	8. REVIEWED BY (SIGNATURE AND DATE)									

APPENDIX I – PERFORMANCE GUARANTEE AGREEMENT

The selected Offeror's Performance Guarantee Agreement will be placed here in the contract. The Performance Agreement is required by Section L clause entitled "Requirement for Guarantee of Performance," Instructions for preparation of the agreement are found in Section L, Attachment G.

**APPENDIX J - SMALL DISADVANTAGED BUSINESS
PARTICIPATION TARGETS**

The Offeror's Completed Small Disadvantaged Business Participation Targets Form will be placed here. Instructions for preparation of the plan are found in Section L, Attachment I.

Targets for option years will be incorporated in the contract by modification.

PART IV – REPRESENTATIONS AND INSTRUCTIONS

SECTION K

**REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF
OFFERORS**

SECTION K

REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF OFFERORS

Page No.

<u>K.1</u>	<u>NOTICE LISTING SOLICITATION PROVISIONS INCORPORATED BY REFERENCE</u>	K-1
	FAR 52.203-11 CERTIFICATION AND DISCLOSURE REGARDING PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (APR 1991)	
	FAR 52.223-4 RECOVERED MATERIALS CERTIFICATION (OCT 1997)	
<u>K.2</u>	<u>FAR 52.204-3 TAXPAYER IDENTIFICATION (OCT 1998)</u>	K-1
<u>K.3</u>	<u>FAR 52.204-5 WOMEN-OWNED BUSINESS (MAY 1999)</u>	K-3
<u>K.4</u>	<u>FAR 52.209-5 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS (DEC 2001)</u>	K-3
<u>K.5</u>	<u>FAR 52.219-1 SMALL BUSINESS PROGRAM REPRESENTATIONS (APR 2002)</u>	K-4
<u>K.6</u>	<u>FAR 52.219-22 SMALL DISADVANTAGED BUSINESS STATUS (OCT 1999)</u>	K-7
<u>K.7</u>	<u>FAR 52.222-22 PREVIOUS CONTRACTS AND COMPLIANCE REPORTS (FEB 1999)</u>	K-8
<u>K.8</u>	<u>FAR 52.222-25 AFFIRMATIVE ACTION COMPLIANCE (APR 1984)</u>	K-8
<u>K.9</u>	<u>FAR 52.223-13 CERTIFICATION OF TOXIC CHEMICAL RELEASE REPORTING (OCT 2000)</u>	K-8
<u>K.10</u>	<u>FAR 52.227-6 ROYALTY INFORMATION (APR 1984)</u>	K-9
<u>K.11</u>	<u>FAR 52.230-1 COST ACCOUNTING STANDARDS NOTICES AND CERTIFICATIONS (JUN 2000)</u>	K-10
<u>K.12</u>	<u>DEAR 952.204-73 FACILITY CLEARANCE (MAY 2002)</u>	K-13
<u>K.13</u>	<u>DEAR 952.209-8 ORGANIZATIONLA CONFLICTS OF INTEREST, DISCLOSURE (JUN 1997) (DEVIATION)</u>	K-17
<u>K.14</u>	<u>IIPS SIGNATURE/CERTIFICATION (SEP 1999)</u>	K18

SECTION K**REPRESENTATIONS, CERTIFICATIONS AND OTHER STATEMENTS OF
OFFERORS****K.1 NOTICE LISTING SOLICITATION PROVISIONS INCORPORATED BY
REFERENCE**

The following solicitation provisions pertinent to this section are hereby incorporated by reference (by Citation Number, Title, and Date) in accordance with the FAR provision at FAR "52.252-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE (FEB 1998)" in Section L of this solicitation.

**FAR52.203-11 CERTIFICATION AND DISCLOSURE REGARDING
PAYMENTS TO INFLUENCE CERTAIN FEDERAL TRANSACTIONS (APR
1991**

FAR52.223-4 RECOVERED MATERIALS CERTIFICATION (OCT 1997)

K.2 FAR 52.204-3 TAXPAYER IDENTIFICATION (OCT 1998)**(a) Definitions.**

"Common parent," as used in this provision, means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the Offeror is a member.

"Taxpayer Identification Number (TIN)," as used in this provision, means the number required by the Internal Revenue Service (IRS) to be used by the Offeror in reporting income tax and other returns. The TIN may be either a Social Security Number or an Employer Identification Number.

- (b)** All Offerors must submit the information required in paragraphs (d) through (f) of this provision to comply with debt collection requirements of 31 U.S.C. 7701(c) and 3325(d), reporting requirements of 26 U.S.C. 6041, 6041A, and 6050M, and implementing regulations issued by the IRS. If the resulting contract is subject to the payment reporting requirements described in Federal Acquisition Regulation (FAR) 4.904, the failure or refusal by the Offeror to furnish the information may result in a 31 percent reduction of payments otherwise due under the contract.
- (c)** The TIN may be used by the Government to collect and report on any delinquent amounts arising out of the Offeror's relationship with the Government (31 U.S.C. 7701(c)(3)). If the resulting contract is subject to the payment reporting requirements described in FAR 4.904, the TIN provided hereunder may be matched with IRS records to verify the accuracy of the Offeror's TIN.

(d) Taxpayer Identification Number (TIN).

- ☐ TIN _____
- ☐ TIN has been applied for.
- ☐ TIN is not required because:
- ☐ Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the United States and does not have an office or place of business or a fiscal paying agent in the United States;
- ☐ Offeror is an agency or instrumentality of a foreign government;
- ☐ Offeror is an agency or instrumentality of the Federal Government.

(e) Type of organization.

- ☐ Sole proprietorship;
- ☐ Partnership;
- ☐ Corporate entity (not tax-exempt);
- ☐ Corporate entity (tax-exempt);
- ☐ Government entity (Federal, State, or local);
- ☐ Foreign government;
- ☐ International organization per 26 CFR 1.6049-4;
- ☐ Other _____

(f) Common parent.

- ☐ Offeror is not owned or controlled by a common parent as defined in paragraph (a) of this provision.
- ☐ Name and TIN of common parent:
- Name _____
- TIN _____

K.3 FAR 52.204-5 WOMEN-OWNED BUSINESS (OTHER THAN SMALL BUSINESS) (MAY 1999)

- (a) *Definition.* "Women-owned business concern," as used in this provision, means a concern that is at least 51 percent owned by one or more women; or in the case of any publicly owned business, at least 51 percent of its stock is owned by one or more women; and whose management and daily business operations are controlled by one or more women.
- (b) *Representation.* [Complete only if the offeror is a women-owned business concern and has not represented itself as a small business concern in paragraph (b)(1) of FAR 52.219-1, Small Business Program Representations, of this solicitation.] The offeror represents that it ☐ is a women-owned business concern.

K.4 FAR 52.209-5 CERTIFICATION REGARDING DEBARMENT, SUSPENSION, PROPOSED DEBARMENT, AND OTHER RESPONSIBILITY MATTERS (DEC 2001))

- (a)(1) The Offeror certifies, to the best of its knowledge and belief, that-
- (i) The Offeror and/or any of its Principals-
 - (A) Are ☐ are not ☐ presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any Federal agency;
 - (B) Have ☐ have not ☐, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and
 - (C) Are ☐, are not ☐ presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in subdivision (a)(1)(i)(B) of this provision.
 - (ii) The Offeror has ☐, has not ☐, within a three-year period preceding this offer, had one or more contracts terminated for default by any Federal agency.
- (2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or

supervisory responsibilities within a business entity (*e.g.*, general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

THIS CERTIFICATION CONCERNS A MATTER WITHIN THE JURISDICTION OF AN AGENCY OF THE UNITED STATES AND THE MAKING OF A FALSE, FICTITIOUS, OR FRAUDULENT CERTIFICATION MAY RENDER THE MAKER SUBJECT TO PROSECUTION UNDER SECTION 1001, TITLE 18, UNITED STATES CODE.

- (b) The Offeror shall provide immediate written notice to the Contracting Officer if, at any time prior to contract award, the Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.
- (c) A certification that any of the items in paragraph (a) of this provision exists will not necessarily result in withholding of an award under this solicitation. However, the certification will be considered in connection with a determination of the Offeror's responsibility. Failure of the Offeror to furnish a certification or provide such additional information as requested by the Contracting Officer may render the Offeror nonresponsible.
- (d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision. The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.
- (e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly rendered an erroneous certification, in addition to other remedies available to the Government, the Contracting Officer may terminate the contract resulting from this solicitation for default.

K.5 FAR 52.219-1 SMALL BUSINESS PROGRAM REPRESENTATIONS (APR 2002)

- (a)
 - (1) The North American Industry Classification System (NAICS) code for this acquisition is _____
 - (2) The small business size standard is _____
 - (3) The small business size standard for a concern which submits an offer in its own name, other than on a construction or service contract, but which proposes to furnish a product which it did not itself manufacture, is 500 employees.

(b) *Representations.*

- (1) The offeror represents as part of its offer that it ☐ is, ☐ is not a small business concern.
- (2) *[Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.]* The offeror represents, for general statistical purposes, that it ☐ is, ☐ is not, a small disadvantaged business concern as defined in 13 CFR 124.1002.
- (3) *[Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.]* The offeror represents as part of its offer that it ☐ is, ☐ is not a women-owned small business concern.
- (4) *[Complete only if the offeror represented itself as a small business concern in paragraph (b)(1) of this provision.]* The offeror represents as part of its offer that it ☐ is, ☐ is not a veteran-owned small business concern.
- (5) *[Complete only if the offeror represented itself as a veteran-owned small business concern in paragraph (b)(4) of this provision.]* The offeror represents as part of its offer that it ☐ is, ☐ is not a service-disabled veteran-owned small business concern.
- (6) *[Complete only if offeror represented itself as a small business concern in paragraph (b)(1) of this provision.]* The offeror represents, as part of its offer, that-
 - (i) It ☐ is, ☐ is not a HUBZone small business concern listed, on the date of this representation, on the List of Qualified HUBZone Small Business Concerns maintained by the Small Business Administration, and no material change in ownership and control, principal office, or HUBZone employee percentage has occurred since it was certified by the Small Business Administration in accordance with 13 CFR part 126; and
 - (ii) It ☐ is, ☐ is not a joint venture that complies with the requirements of 13 CFR part 126, and the representation in paragraph (b)(6)(i) of this provision is accurate for the HUBZone small business concern or concerns that are participating in the joint venture. *[The offeror shall enter the name or names of the HUBZone small business concern or concerns that are participating in the joint venture: _____.]* Each HUBZone small business concern participating in the joint venture shall submit a separate signed copy of the HUBZone representation.

(c) *Definitions.* As used in this provision-**"Service-disabled veteran-owned small business concern"-**

- (1) Means a small business concern-
 - (i) Not less than 51 percent of which is owned by one or more service-disabled veterans or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more service-disabled veterans; and
 - (ii) The management and daily business operations of which are controlled by one or more service-disabled veterans or, in the case of a veteran with permanent and severe disability, the spouse or permanent caregiver of such veteran.
- (2) Service-disabled veteran means a veteran, as defined in 38 U.S.C. 101(2), with a disability that is service-connected, as defined in 38 U.S.C. 101(16).

"Small business concern" means a concern, including its affiliates, that is independently owned and operated, not dominant in the field of operation in which it is bidding on Government contracts, and qualified as a small business under the criteria in 13 CFR part 121 and the size standard in paragraph (a) of this provision.

"Veteran-owned small business concern" means a small business concern-

- (1) Not less than 51 percent of which is owned by one or more veterans (as defined at 38 U.S.C. 101(2)) or, in the case of any publicly owned business, not less than 51 percent of the stock of which is owned by one or more veterans; and
- (2) The management and daily business operations of which are controlled by one or more veterans.

"Women-owned small business concern" means a small business concern-

- (1) That is at least 51 percent owned by one or more women; or, in the case of any publicly owned business, at least 51 percent of the stock of which is owned by one or more women; and
- (2) Whose management and daily business operations are controlled by one or more women.

(d) *Notice.*

- (1) If this solicitation is for supplies and has been set aside, in whole or in part, for small business concerns, then the clause in this solicitation providing notice of the set-aside contains restrictions on the source of the end items to be furnished.

- (2) Under 15 U.S.C. 645(d), any person who misrepresents a firm's status as a small, HUBZone small, small disadvantaged, or women-owned small business concern in order to obtain a contract to be awarded under the preference programs established pursuant to section 8(a), 8(d), 9, or 15 of the Small Business Act or any other provision of Federal law that specifically references section 8(d) for a definition of program eligibility, shall-
- (i) Be punished by imposition of fine, imprisonment, or both;
 - (ii) Be subject to administrative remedies, including suspension and debarment; and
 - (iii) Be ineligible for participation in programs conducted under the authority of the Act.

K.6 FAR 52.219-22 SMALL DISADVANTAGED BUSINESS STATUS (OCT 1999)

- (a) *General.* This provision is used to assess an offeror's small disadvantaged business status for the purpose of obtaining a benefit on this solicitation. Status as a small business and status as a small disadvantaged business for general statistical purposes is covered by the provision at FAR 52.2191, Small Business Program Representation.
- (b) *Representations.*
- (1) *General.* The offeror represents, as part of its offer, that it is a small business under the size standard applicable to this acquisition; and either-
 - ☐ (i) It has received certification by the Small Business Administration as a small disadvantaged business concern consistent with 13 CFR 124, Subpart B; and
 - (A) No material change in disadvantaged ownership and control has occurred since its certification;
 - (B) Where the concern is owned by one or more disadvantaged individuals, the net worth of each individual upon whom the certification is based does not exceed \$750,000 after taking into account the applicable exclusions set forth at 13 CFR 124.104(c)(2); and
 - (C) It is identified, on the date of its representation, as a certified small disadvantaged business concern in the database maintained by the Small Business Administration (PRO-Net); or
 - ☐ (ii) It has submitted a completed application to the Small Business Administration or a Private Certifier to be certified as a small disadvantaged business concern in accordance with 13 CFR 124, Subpart B, and a decision on that application is pending, and that no material change in disadvantaged ownership and control has occurred since its application was submitted.
 - (2) ☐ *For Joint Ventures.* The offeror represents, as part of its offer, that it is a joint venture that complies with the requirements at 13 CFR 124.1002(f) and that the representation in paragraph (b)(1) of this provision is accurate for the small disadvantaged business concern

that is participating in the joint venture. [*The offeror shall enter the name of the small disadvantaged business concern that is participating in the joint venture: _____.*]

- (c) *Penalties and Remedies.* Anyone who misrepresents any aspects of the disadvantaged status of a concern for the purposes of securing a contract or subcontract shall-
- (1) Be punished by imposition of a fine, imprisonment, or both;
 - (2) Be subject to administrative remedies, including suspension and debarment; and
 - (3) Be ineligible for participation in programs conducted under the authority of the Small Business Act.

K.7 FAR 52.222-22 PREVIOUS CONTRACTS AND COMPLIANCE REPORTS (FEB 1999)

The Offeror represents that--

- (a) It ☐ has, ☐ has not participated in a previous contract or subcontract subject to the Equal Opportunity clause of this solicitation.
- (b) It ☐ has, ☐ has not filed all required compliance reports; and
- (c) Representations indicating submission of required compliance reports, signed by proposed subcontractors, will be obtained before subcontract awards.

K.8 FAR 52.222-25 AFFIRMATIVE ACTION COMPLIANCE (APR 1984)

The Offeror represents that-

- (a) It ☐ has developed and has on file, ☐ has not developed and does not have on file, at each establishment, affirmative action programs required by the rules and regulations of the Secretary of Labor (41 CFR 60-1 and 60-2), or;
- (b) It ☐ has not previously had contracts subject to the written affirmative action programs requirement of the rules and regulations of the Secretary of Labor.

K.9 FAR 52.223-13 CERTIFICATION OF TOXIC CHEMICAL RELEASE REPORTING (OCT 2000)

- (a) Submission of this certification is a prerequisite for making or entering into this contract imposed by Executive Order 12969, August 8, 1995.
- (b) By signing this offer, the offeror certifies that-
 - (1) As the owner or operator of facilities that will be used in the performance of this contract that are subject to the filing and reporting requirements described in section 313 of the Emergency

- Planning and Community Right-to-Know Act of 1986 (EPCRA) (42 U.S.C. 11023) and section 6607 of the Pollution Prevention Act of 1990 (PPA) (42 U.S.C. 13106), the offeror will file and continue to file for such facilities for the life of the contract the Toxic Chemical Release Inventory Form (Form R) as described in sections 313(a) and (g) of EPCRA and section 6607 of PPA; or
- (2) None of its owned or operated facilities to be used in the performance of this contract is subject to the Form R filing and reporting requirements because each such facility is exempt for at least one of the following reasons: *[Check each block that is applicable.]*
- ☐ (i) The facility does not manufacture, process, or otherwise use any toxic chemicals listed under section 313(c) of EPCRA, 42 U.S.C. 11023(c);
 - ☐ (ii) The facility does not have 10 or more full-time employees as specified in section 313(b)(1)(A) of EPCRA, 42 U.S.C. 11023(b)(1)(A);
 - ☐ (iii) The facility does not meet the reporting thresholds of toxic chemicals established under section 313(f) of EPCRA, 42 U.S.C. 11023(f) (including the alternate thresholds at 40 CFR 372.27, provided an appropriate certification form has been filed with EPA);
 - ☐ (iv) The facility does not fall within Standard Industrial Classification Code (SIC) major groups 20 through 39 or their corresponding North American Industry Classification System (NAICS) sectors 31 through 33; or
 - ☐ (v) The facility is not located within any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, the Northern Mariana Islands, or any other territory or possession over which the United States has jurisdiction.

K.10 FAR 52.227-6 ROYALTY INFORMATION (APR 1984)

- (a) Cost or charges for royalties. When the response to this solicitation contains costs or charges for royalties totaling more than \$250, the following information shall be included in the response relating to each separate item of royalty or license fee:
- (1) Name and address of licensor.
 - (2) Date of license agreement.
 - (3) Patent numbers, patent application serial numbers, or other basis on which the royalty is payable.

- (4) Brief description, including any part or model numbers of each contract item or component on which the royalty is payable.
 - (5) Percentage or dollar rate of royalty per unit.
 - (6) Unit price of contract item.
 - (7) Number of units.
 - (8) Total dollar amount of royalties.
- (b) Copies of current licenses. In addition, if specifically requested by the Contracting Officer before execution of the contract, the Offeror shall furnish a copy of the current license agreement and an identification of applicable claims of specific patents.

K.11 FAR 52.230-1 COST ACCOUNTING STANDARDS NOTICES AND CERTIFICATION (JUN 2000)

Note: This notice does not apply to small businesses or foreign governments. This notice is in three parts, identified by Roman numerals I through III.

Offerors shall examine each part and provide the requested information in order to determine Cost Accounting Standards (CAS) requirements applicable to any resultant contract.

If the offeror is an educational institution, Part II does not apply unless the contemplated contract will be subject to full or modified CAS coverage pursuant to 48 CFR 9903.201-2(c)(5) or 9903.201-2(c)(6), respectively.

I. DISCLOSURE STATEMENT-COST ACCOUNTING PRACTICES AND CERTIFICATION

- (a) Any contract in excess of \$500,000 resulting from this solicitation will be subject to the requirements of the Cost Accounting Standards Board (48 CFR Chapter 99), except for those contracts which are exempt as specified in 48 CFR 9903.201-1.
- (b) Any offeror submitting a proposal which, if accepted, will result in a contract subject to the requirements of 48 CFR Chapter 99 must, as a condition of contracting, submit a Disclosure Statement as required by 48 CFR 9903.202. When required, the Disclosure Statement must be submitted as a part of the offeror's proposal under this solicitation unless the offeror has already submitted a Disclosure Statement disclosing the practices used in connection with the pricing of this proposal. If an applicable Disclosure Statement has already been

submitted, the offeror may satisfy the requirement for submission by providing the information requested in paragraph (c) of Part I of this provision.

CAUTION: In the absence of specific regulations or agreement, a practice disclosed in a Disclosure Statement shall not, by virtue of such disclosure, be deemed to be a proper, approved, or agreed-to practice for pricing proposals or accumulating and reporting contract performance cost data.

(c) Check the appropriate box below:

- ☐ (1) *Certificate of Concurrent Submission of Disclosure Statement.* The offeror hereby certifies that, as a part of the offer, copies of the Disclosure Statement have been submitted as follows:
- (i) Original and one copy to the cognizant Administrative Contracting Officer (ACO) or cognizant Federal agency official authorized to act in that capacity (Federal official), as applicable; and
 - (ii) One copy to the cognizant Federal auditor.

(Disclosure must be on Form No. CASB DS-1 or CASB DS-2, as applicable. Forms may be obtained from the cognizant ACO or Federal official and/or from the loose-leaf version of the Federal Acquisition Regulation.)

Date of Disclosure Statement: _____

Name and Address of Cognizant ACO or Federal Official Where Filed:

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the Disclosure Statement.

- ☐ (2) *Certificate of Previously Submitted Disclosure Statement.* The offeror hereby certifies that the required Disclosure Statement was filed as follows:

Date of Disclosure Statement: _____

Name and Address of Cognizant ACO or Federal Official Where Filed:

The offeror further certifies that the practices used in estimating costs in pricing this proposal are consistent with the cost accounting practices disclosed in the applicable Disclosure Statement.

- ☐ (3) *Certificate of Monetary Exemption.* The offeror hereby certifies that the offeror, together with all divisions,

subsidiaries, and affiliates under common control, did not receive net awards of negotiated prime contracts and subcontracts subject to CAS totaling \$50 million or more in the cost accounting period immediately preceding the period in which this proposal was submitted. The offeror further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

- ☐ (4) *Certificate of Interim Exemption.* The offeror hereby certifies that (i) the offeror first exceeded the monetary exemption for disclosure, as defined in (3) of this subsection, in the cost accounting period immediately preceding the period in which this offer was submitted and (ii) in accordance with 48 CFR 9903.202-1, the offeror is not yet required to submit a Disclosure Statement. The offeror further certifies that if an award resulting from this proposal has not been made within 90 days after the end of that period, the offeror will immediately submit a revised certificate to the Contracting Officer, in the form specified under paragraph (c)(1) or (c)(2) of Part I of this provision, as appropriate, to verify submission of a completed Disclosure Statement.

CAUTION: Offerors currently required to disclose because they were awarded a CAS-covered prime contract or subcontract of \$50 million or more in the current cost accounting period may not claim this exemption (4). Further, the exemption applies only in connection with proposals submitted before expiration of the 90-day period following the cost accounting period in which the monetary exemption was exceeded.

II. COST ACCOUNTING STANDARDS-ELIGIBILITY FOR MODIFIED CONTRACT COVERAGE

If the offeror is eligible to use the modified provisions of 48 CFR 9903.201-2(b) and elects to do so, the offeror shall indicate by checking the box below. Checking the box below shall mean that the resultant contract is subject to the Disclosure and Consistency of Cost Accounting Practices clause in lieu of the Cost Accounting Standards clause.

- ☐ The offeror hereby claims an exemption from the Cost Accounting Standards clause under the provisions of 48 CFR 9903.201-2(b) and certifies that the offeror is eligible for use of the Disclosure and Consistency of Cost Accounting Practices clause because during the cost accounting period immediately preceding the period in which this proposal was submitted, the offeror received less than \$50 million in awards of CAS-covered prime contracts and subcontracts. The offeror

further certifies that if such status changes before an award resulting from this proposal, the offeror will advise the Contracting Officer immediately.

CAUTION: An offeror may not claim the above eligibility for modified contract coverage if this proposal is expected to result in the award of a CAS-covered contract of \$50 million or more or if, during its current cost accounting period, the offeror has been awarded a single CAS-covered prime contract or subcontract of \$50 million or more.

III. ADDITIONAL COST ACCOUNTING STANDARDS APPLICABLE TO EXISTING CONTRACTS

The offeror shall indicate below whether award of the contemplated contract would, in accordance with paragraph (a)(3) of the Cost Accounting Standards clause, require a change in established cost accounting practices affecting existing contracts and subcontracts.

☐ yes ☐ no

K.12 DEAR 952.204-73 FACILITY CLEARANCE (MAY 2002)

NOTICES

Section 2536 of title 10, United States Code, prohibits the award of a contract under a national security program to an entity controlled by a foreign government if it is necessary for that entity to be given access to information in a proscribed category of information in order to perform the contract unless a waiver is granted by the Secretary of Energy. In addition, a Facility Clearance and foreign ownership, control and influence (FOCI) information are required when the contract or subcontract to be awarded is expected to require employees to have access authorizations.

Offerors who have either a Department of Defense or a Department of Energy Facility Clearance, generally need not resubmit the following FOCI information unless specifically requested to do so. Instead, provide your DOE Facility Clearance code or your DOD assigned commercial and government entity (CAGE) code. If uncertain, consult the office that issued this solicitation.

- (a) Use of Certificate Pertaining to Foreign Interests, Standard Form 328
 - (1) The contract work anticipated by this solicitation will require access to classified information or special nuclear material. Such access will require a facility clearance for the contractor organization and access

authorizations (security clearances) for contractor personnel working with the classified information or special nuclear material. To obtain a facility clearance the offeror must submit a Certificate Pertaining to Foreign Interests, Standard Form 328, and all required supporting documents to for a complete Foreign Ownership, Control or Influence (FOCI) package.

- (2) Information submitted by the offeror in response to the Standard Form 328 will be used solely for the purposes of evaluating foreign ownership, control or influence and will be treated by the DOE, to the extent permitted by law, as business or financial information submitted in confidence.
- (3) Following submission of a Standard Form 328 and prior to contract award, the contractor shall immediately submit to the contracting officer written notification of any changes in the extent and nature of FOCI which could affect the offeror's answers to the questions in Standard Form 328. Following award of a contract, the Contractor must immediately submit to the cognizant security officer written notification of any changes in the extent and nature of FOCI which could affect the offeror's answers to questions in the Standard Form 328. Notice of changes in ownership or control which are required to be reported to the Securities and Exchange Commission, the Federal Trade Commission, or the Department of Justice must also be furnished concurrently to the cognizant security office.

(b) Definitions

- (1) Foreign Interest means any of the following:
 - (i) A foreign government, foreign government agency, or representative of a foreign government;
 - (ii) Any form of business enterprise or legal entity organized, chartered or incorporated under the laws of any country other than the United States or its possessions and trust territories; and
 - (iii) Any person who is not a citizen or national of the United States.
- (2) Foreign Ownership, Control, or Influence (FOCI) means the situation here the degree of ownership, control, or influence over a Contractor by a foreign interest is such that a reasonable basis exists for concluding that compromise of classified information or special nuclear material may result.
- (c) Facility Clearance is an administrative determination that a facility is eligible for access, produce, use or store classified information or special nuclear material. A Facility Clearance is based upon a determination that satisfactory safeguards and

security measures are carried out for the activities being performed at the facility. It is DOE policy that all Contractors or Subcontractors requiring access authorizations be processed for a Facility Clearance at the level appropriate to the activities being performed under the contract. Approval for a Facility Clearance shall be based upon:

- (1) A favorable foreign ownership, control, or influence (FOCI) determination based upon the Contractor's response to the ten questions in the Standard Form 328 and any required, supporting data provided by the Contractor;
 - (2) A contract containing the appropriate security clauses;
 - (3) Approved safeguards and security plans which describe protective measures appropriate to the activities being performed at the facility;
 - (4) An established Reporting Identification Symbol code for the Nuclear Materials Management and Safeguards Reporting System if access to nuclear materials is involved;
 - (5) A survey conducted no more than 6 months before the Facility Clearance date, with a composite facility rating of satisfactory, if the facility is to possess classified matter or special nuclear material at its location;
 - (6) Appointment of a Facility Security Officer, who must possess or be in the process of obtaining an access authorization equivalent to the Facility Clearance; and, if applicable, appointment of a Materials Control and Accountability Representative; and
 - (7) Access authorizations for key management personnel who will be determined on a case-by-case basis, and must possess or be in the process of obtaining access authorizations equivalent to the level of the Facility Clearance.
- (d) A Facility Clearance is required prior to the award of a contract requiring access to classified information and the granting of any access authorizations under a contract. Prior to award of a contract, the DOE must determine that award of the contract to the Offeror will not pose an undue risk to the common defense and security as a result of its access to classified information or special nuclear material in the performance of the contract. The Contracting Officer may require the offeror to submit such additional information as deemed pertinent to this determination.
- (e) A Facility Clearance is required even for contracts that do not require contractor's corporate offices to receive, process, reproduce, store, transmit, or handle classified information or special nuclear material, but which require DOE access

authorizations for the Contractor's employees to perform work at a DOE location. This type facility is identified as a non-possessing facility.

- (f) Except as otherwise authorized in writing by the Contracting Officer, the provisions of any resulting contract must require that the contractor insert provisions similar to the foregoing in all subcontracts and purchase orders. Any Subcontractors requiring access authorizations for access to classified information or special nuclear material shall be directed to provide responses to the questions in Standard Form 328, Certificate Pertaining to Foreign Interests directly to the prime contractor or the Contracting Officer for the prime contract.

NOTICE TO OFFERORS - CONTENTS REVIEW - Please Review Before Submitting

Prior to submitting the Standard Form 328, required by paragraph (a)(1) of this clause, the offeror should review the FOCI submission to ensure that:

- (1) The SF328 has been signed and dated by an authorized official of the company;
- (2) If publicly owned, the contractor's most recent annual report, and its most recent proxy statement for its annual meeting of stockholders have been attached; or if privately owned, the audited, consolidated financial information for the most recently closed accounting year has been attached;
- (3) A copy of the company's articles of incorporation and an attested copy of the company's by-laws, or similar documents filed for the company's existence and management, and all amendments to those documents;
- (4) A list identifying the organization's owners, officers, directors, and executive personnel, including their names; social security numbers; citizenship; titles of all positions they hold within the organization; and what clearances, if any, they possess or are in the process of obtaining and identification of the government agency(ies) that granted or will be granting those clearances; and
- (5) A summary FOCI data sheet.

NOTE: A FOCI submission must be attached for each tier parent organization (i.e. ultimate parent and any intervening levels of ownership). If any of these documents are missing, award of the contract cannot be completed.

K.13 DEAR 952.209-8 ORGANIZATIONAL CONFLICTS OF INTEREST DISCLOSURE (JUNE 1997) (DEVIATION)

- (a) Organizational conflict of interest means that because of other activities or relationships with other persons, a person or Offeror is unable or potentially unable to render impartial assistance or advice to the Government, or the person's or Offeror's objectivity in performing the contract work is or might be otherwise impaired, or a person or Offeror has an unfair competitive advantage.
- (b) All Offerors shall provide the statement described in paragraph (c) of this provision. (DEVIATION)
- (c) The statement must contain the following:
 - (1) A statement of any past (within the past twelve months), present, or currently planned financial, contractual, organizational, or other interests relating to the performance of the statement of work. For contractual interests, such statement must include the name, address, telephone number of the client or client(s), a description of the services rendered to the previous client(s), and the name of a responsible officer or employee of the Offeror who is knowledgeable about the services rendered to each client, if, in the 12 months preceding the date of the statement, services were rendered to the Government or any other client (including a foreign government or person) respecting the same subject matter of the instant solicitation, or directly relating to such subject matter. The agency and contract number under which the services were rendered must also be included, if applicable. For financial interests, the statement must include the nature and extent of the interest and any entity or entities involved in the financial relationship. For these and any other interests enough such information must be provided to allow a meaningful evaluation of the potential effect of the interest on the performance of the statement of work.
 - (2) A statement that no actual or potential conflict of interest or unfair competitive advantage exists with respect to the services to be provided in connection with the instant contract or that any actual or potential conflict of interest or unfair competitive advantage that does or may exist with respect to the contract in question has been communicated as part of the statement required by (b) of this provision. (DEVIATION)
- (d) Failure of the Offeror to provide the required statement may result in the Offeror being determined ineligible for award. Misrepresentation or failure to report any fact may result in the assessment of penalties associated with false statements or such other provisions provided for by law or regulation.

K.14 IIPS SIGNATURE/CERTIFICATION (SEP 1999)

☒ By completing and submitting via IIPS, ☐ By signing below and submitting the signed original, or ☐ By completing, signing and transmitting via e-mail or facsimile, the bidder/offeror certifies, under penalty of law, that the representations and certifications are accurate, current, and complete. The bidder/offeror further certifies that it will notify the Contracting Officer of any changes to these representations and certifications. The representations and certification made by the bidder/offeror, as contained herein, concern matters within the jurisdiction of an agency of the United States and the making of a false, fictitious, or fraudulent representation or certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

Signature of the Officer or Employee
Responsible for the Offer

Date of Execution

Typed Name and Title of the Officer or Employee
Responsible for the Offer

Name of Organization

Address

City, State, ZIP

PART IV – REPRESENTATIONS AND INSTRUCTIONS

SECTION L

INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS

TABLE OF CONTENTS**SECTION L****INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS**

	<u>Page No.</u>
<u>L.1 FAR 52.215-1 INSTRUCTIONS TO OFFEORS-COMPETITIVE ACQUISTION (MAY 2001)</u>	L-1
<u>L.2 IIPS PROPOSAL PREPARATION INSTRUCTIONS-GENERAL (FEB 2001)</u>	L-6
<u>L.3 PROPOSAL PREPARATION INSTRUCTIONS-VOLUME1, THE OFFER</u>	L-9
<u>L.4 PROPOSAL PREPARATION INSTRUCTIONS-VOLUME II, TEHCNIAL AND BUSINESS MANAGEMENT EVALUATION INFORMATION</u>	L-10
<u>L.5 PROPOSAL PREPARTION INSTRUCITONS –VOLUME III, COST EVALUATION INFORMATION</u>	L-15
<u>L.6 PROPOSAL PREPARATION INSTRUCTIONS-ORAL PRESENTATION PROCEDURES</u>	L-17
<u>L.7 IIPS SUPPLEMENTAL SOLICITATION DEFINITIONS (FEB 2001)</u>	L-20
<u>L.8 IIPS INTENTION TO PROPOSE (SEP 1999)</u>	L-20
<u>L.9 NUMBER OF AWARDS</u>	L-20
<u>L.10 ALTERNATE PROPOSALS</u>	L-21
<u>L.11 FAR 52.216-1 TYPE OF CONTRACT (APR 1984)</u>	L-21
<u>L.12 FAR 52.204-6 DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER (JUN 1999)</u>	L-21
<u>L.13 FAR 52.219-24 SMALL DISADVANTAGED BUSINESS PARTICIPATION PROGRAM TARGETS (OCT 2000)</u>	L-22
<u>L.14 FAR 52.222-24 PREAWARD ON-SITE EQUAL OPPORTUNITY COMPLIANCE REVIEW (FEB 1999)</u>	L-22
<u>L.15 FAR 52.233-2 SERVICE OF PROTEST (AUG 1996)/DEAR 952.233-2 SERVICE OF PROTEST</u>	L-22

<u>L.16</u>	<u>FAR 52.252-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE (FEB 1998)</u>	L-23
<u>L.17</u>	<u>DEAR 952.233-4 NOTICE OF PROTEST FILE AVAILABILITY</u>	L-24
<u>L.18</u>	<u>DEAR 952.233-5 AGENCY PROTEST REVIEW (SEP 1996)</u>	L-24
<u>L.19</u>	<u>DEAR 970.5209-1 REQUIREMENT FOR GUARANTEE OF PERFORMANCE (DEC 2000)</u>	L-24
<u>L.20</u>	<u>DEAR 970.5215-5 LIMITATION ON FEE (DEC 2000)</u>	L-25
<u>L.21</u>	<u>DEAR 970.5227-7 ROYALTY INFORMATION (DEC 2000)</u>	L-25
<u>L.22</u>	<u>DEAR 970.5227-9 NOTICE OF RIGHT TO REQUEST PATENT WAIVER (DEC 2000)</u>	L-26
<u>L.23</u>	<u>CONTENT OF RESULTING CONTRACT</u>	L-26
<u>L.24</u>	<u>DOE ISSUING OFFICE</u>	L-26
<u>L.25</u>	<u>TIME, DATE AND PLACE OFFERS AND PROPOSAL INFORMATION ARE DUE - ELECTRONIC SUBMISSION (FEB 2001)</u>	L-27
<u>L.26</u>	<u>SMALL BUISNESS SIZE STANDARDS AND SET-ASIDE INFORMATION</u>	L-27
<u>L.27</u>	<u>OFFER ACCEPTANCE PERIOD</u>	L-27
<u>L.28</u>	<u>FALSE STATEMENTS</u>	L-27
<u>L.29</u>	<u>EXPENSES RELATED TO OFFER AND OTHER WRITTEN INFORMATION</u>	L-27
<u>L.30</u>	<u>COMMITMENT OF PUBLIC FUNDS</u>	L-27
<u>L.31</u>	<u>RESPONSIBLE PROSPECTIVE CONTRACTORS</u>	L-28
<u>L.32</u>	<u>DISPOSITION OF OFFERS AND PROPOSAL INFORMATION</u>	L-28
<u>L.33</u>	<u>AVAILABILITY OF REFERENCED DOCUMENTS AND ORGANIZATIONAL INTERNET URL ADDRESS INFORMATION</u>	L-28
<u>L.34</u>	<u>STRATEGIC PETROLEUM RESERVE TOURS AND BRIEFINGS</u>	L-28
<u>L.35</u>	<u>SMALL BUSINESS PLAN AND SMALL DISADVANTAGED BUSINESS TARGETS</u>	L-30
<u>L.36</u>	<u>OFFEROR QUESTIONS OR COMMENTS</u>	L-30
<u>L.37</u>	<u>LIST OF ATTACHMENTS TO SECTION L</u>	L-30

SECTION L

INSTRUCTIONS, CONDITIONS, AND NOTICES TO OFFERORS

L.1 FAR 52.215-1 INSTRUCTIONS TO OFFERORS--COMPETITIVE ACQUISITION (MAY 2001)

(a) *Definitions.* As used in this provision-

"Discussions" are negotiations that occur after establishment of the competitive range that may, at the Contracting Officer's discretion, result in the offeror being allowed to revise its proposal.

"In writing," "writing," or "written" means any worded or numbered expression that can be read, reproduced, and later communicated, and includes electronically transmitted and stored information.

"Proposal modification" is a change made to a proposal before the solicitation's closing date and time, or made in response to an amendment, or made to correct a mistake at any time before award.

"Proposal revision" is a change to a proposal made after the solicitation closing date, at the request of or as allowed by a Contracting Officer as the result of negotiations.

"Time," if stated as a number of days, is calculated using calendar days, unless otherwise specified, and will include Saturdays, Sundays, and legal holidays. However, if the last day falls on a Saturday, Sunday, or legal holiday, then the period shall include the next working day.

(b) *Amendments to solicitations.* If this solicitation is amended, all terms and conditions that are not amended remain unchanged. Offerors shall acknowledge receipt of any amendment to this solicitation by the date and time specified in the amendment(s).

(c) *Submission, modification, revision, and withdrawal of proposals.*

- (1) Unless other methods (*e.g.*, electronic commerce or facsimile) are permitted in the solicitation, proposals and modifications to proposals shall be submitted in paper media in sealed envelopes or packages (i) addressed to the office specified in the solicitation, and (ii) showing the time and date specified for receipt, the solicitation number, and the name and address of the offeror.

Offerors using commercial carriers should ensure that the proposal is marked on the outermost wrapper with the information in paragraphs (c)(1)(i) and (c)(1)(ii) of this provision.

- (2) The first page of the proposal must show-
 - (i) The solicitation number;
 - (ii) The name, address, and telephone and facsimile numbers of the offeror (and electronic address if available);
 - (iii) A statement specifying the extent of agreement with all terms, conditions, and provisions included in the solicitation and agreement to furnish any or all items upon which prices are offered at the price set opposite each item;
 - (iv) Names, titles, and telephone and facsimile numbers (and electronic addresses if available) of persons authorized to negotiate on the offeror's behalf with the Government in connection with this solicitation; and
 - (v) Name, title, and signature of person authorized to sign the proposal. Proposals signed by an agent shall be accompanied by evidence of that agent's authority, unless that evidence has been previously furnished to the issuing office.
- (3) *Submission, modification, revision, and withdrawal of proposals.*
 - (i) Offerors are responsible for submitting proposals, and any modifications or revisions, so as to reach the Government office designated in the solicitation by the time specified in the solicitation. If no time is specified in the solicitation, the time for receipt is 4:30 p.m., local time, for the designated Government office on the date that proposal or revision is due.
 - (ii)(A) Any proposal, modification, or revision received at the Government office designated in the solicitation after the exact time specified for receipt of offers is "late" and will not be considered unless it is received before award is made, the Contracting Officer determines that accepting the late offer would not unduly delay the acquisition; and-
 - (1) If it was transmitted through an electronic commerce method authorized by the solicitation, it was received at the initial point of entry to the Government infrastructure not later than 5:00 p.m. one working day prior to the date specified for receipt of proposals; or

- (2) There is acceptable evidence to establish that it was received at the Government installation designated for receipt of offers and was under the Government's control prior to the time set for receipt of offers; or
 - (3) It is the only proposal received.
 - (B) However, a late modification of an otherwise successful proposal that makes its terms more favorable to the Government, will be considered at any time it is received and may be accepted.
 - (iii) Acceptable evidence to establish the time of receipt at the Government installation includes the time/date stamp of that installation on the proposal wrapper, other documentary evidence of receipt maintained by the installation, or oral testimony or statements of Government personnel.
 - (iv) If an emergency or unanticipated event interrupts normal Government processes so that proposals cannot be received at the office designated for receipt of proposals by the exact time specified in the solicitation, and urgent Government requirements preclude amendment of the solicitation, the time specified for receipt of proposals will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal Government processes resume.
 - (v) Proposals may be withdrawn by written notice received at any time before award. Oral proposals in response to oral solicitations may be withdrawn orally. If the solicitation authorizes facsimile proposals, proposals may be withdrawn via facsimile received at any time before award, subject to the conditions specified in the provision at 52.2155, Facsimile Proposals. Proposals may be withdrawn in person by an offeror or an authorized representative, if the identity of the person requesting withdrawal is established and the person signs a receipt for the proposal before award.
- (4) Unless otherwise specified in the solicitation, the offeror may propose to provide any item or combination of items.
 - (5) Offerors shall submit proposals in response to this solicitation in English, unless otherwise permitted by the solicitation, and in U.S. dollars, unless the provision at FAR 52.225-17, Evaluation of Foreign Currency Offers, is included in the solicitation.

- (6) Offerors may submit modifications to their proposals at any time before the solicitation closing date and time, and may submit modifications in response to an amendment, or to correct a mistake at any time before award.
- (7) Offerors may submit revised proposals only if requested or allowed by the Contracting Officer.
- (8) Proposals may be withdrawn at any time before award. Withdrawals are effective upon receipt of notice by the Contracting Officer.
- (d) *Offer expiration date.* Proposals in response to this solicitation will be valid for the number of days specified on the solicitation cover sheet (unless a different period is proposed by the offeror).
- (e) *Restriction on disclosure and use of data.* Offerors that include in their proposals data that they do not want disclosed to the public for any purpose, or used by the Government except for evaluation purposes, shall-
 - (1) Mark the title page with the following legend:

This proposal includes data that shall not be disclosed outside the Government and shall not be duplicated, used, or disclosed-in whole or in part-for any purpose other than to evaluate this proposal. If, however, a contract is awarded to this offeror as a result of-or in connection with-the submission of this data, the Government shall have the right to duplicate, use, or disclose the data to the extent provided in the resulting contract. This restriction does not limit the Government's right to use information contained in this data if it is obtained from another source without restriction. The data subject to this restriction are contained in sheets [*insert numbers or other identification of sheets*]; and
 - (2) Mark each sheet of data it wishes to restrict with the following legend:

Use or disclosure of data contained on this sheet is subject to the restriction on the title page of this proposal.
- (f) *Contract award.*
 - (1) The Government intends to award a contract or contracts resulting from this solicitation to the responsible offeror(s) whose proposal(s) represents the best value after evaluation in accordance with the factors and subfactors in the solicitation.

- (2) The Government may reject any or all proposals if such action is in the Government's interest.
- (3) The Government may waive informalities and minor irregularities in proposals received.
- (4) The Government intends to evaluate proposals and award a contract without discussions with offerors (except clarifications as described in FAR 15.306(a)). Therefore, the offeror's initial proposal should contain the offeror's best terms from a cost or price and technical standpoint. The Government reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary. If the Contracting Officer determines that the number of proposals that would otherwise be in the competitive range exceeds the number at which an efficient competition can be conducted, the Contracting Officer may limit the number of proposals in the competitive range to the greatest number that will permit an efficient competition among the most highly rated proposals.
- (5) The Government reserves the right to make an award on any item for a quantity less than the quantity offered, at the unit cost or prices offered, unless the offeror specifies otherwise in the proposal.
- (6) The Government reserves the right to make multiple awards if, after considering the additional administrative costs, it is in the Government's best interest to do so.
- (7) Exchanges with offerors after receipt of a proposal do not constitute a rejection or counteroffer by the Government.
- (8) The Government may determine that a proposal is unacceptable if the prices proposed are materially unbalanced between line items or subline items. Unbalanced pricing exists when, despite an acceptable total evaluated price, the price of one or more contract line items is significantly overstated or understated as indicated by the application of cost or price analysis techniques. A proposal may be rejected if the Contracting Officer determines that the lack of balance poses an unacceptable risk to the Government.
- (9) If a cost realism analysis is performed, cost realism may be considered by the source selection authority in evaluating performance or schedule risk.
- (10) A written award or acceptance of proposal mailed or otherwise furnished to the successful offeror within the time specified in the proposal shall result in a binding contract without further action by either party.

- (11) The Government may disclose the following information in postaward debriefings to other offerors:
- (i) The overall evaluated cost or price and technical rating of the successful offeror;
 - (ii) The overall ranking of all offerors, when any ranking was developed by the agency during source selection;
 - (iii) A summary of the rationale for award; and
 - (iv) For acquisitions of commercial items, the make and model of the item to be delivered by the successful offeror.

L.2 IIPS PROPOSAL PREPARATION INSTRUCTIONS—GENERAL (FEB 2001)

- (a) Offerors are expected to be sufficiently knowledgeable of the missions and administrative procedures of the Strategic Petroleum Reserve to adequately prepare their offers and other proposal information to be submitted under this solicitation. Information relating to operational philosophy, strategic plans and technical programs is available from various documents on the Internet as referenced in Section L, Attachment A. Section C contains the Statement of Work for the Strategic Petroleum Reserve that the Offeror will be proposing to manage and operate.
- (b) The term "Offeror" as used in this Section L refers to the single legal entity submitting the offer. The entity may be a corporation, a joint venture, a limited liability corporation, or other legal entity. The entity may be preexisting or newly formed for the purpose of competing for this contract. However, the work performed by the Offeror shall be conducted by a separate corporate entity from its parent corporation(s) that will be totally responsible for all contract activities (see Section H.17). A management and integrating contract arrangement is not acceptable.
- (c) The Offeror must include full, accurate, and complete information on each of the participating firms as well as on the separate corporate entity itself.
- (d) This solicitation requires Offerors to submit written information and to submit part of its proposal through an oral presentation.
- (e) No classified information shall be included in the Offeror's written information or the Offeror's oral presentation.
- (f) Proposals are expected to conform to the solicitation provision entitled "Instruction to Offerors – Competitive Acquisition" and be prepared in accordance with this section. To aid in evaluation, proposals shall be clearly and concisely written as well as being neat, indexed (cross-indexed as appropriate) and logically assembled. All pages of each part shall be appropriately numbered,

and identified with the name of the offeror, the date, and the solicitation number to the extent practicable. Proposal files are to be formatted in one of the following applications: Adobe Acrobat PDF, MS Word 97 or higher, MS-Excel 97 or higher. Proposals may be a mixed media. It is preferred that the cost proposal be submitted in Excel.

(g) Overall Arrangement of Proposal

- (1) The overall proposal shall consist of three (3) volumes, individually entitled as stated below. Each volume will be submitted as a separate file. Multiple electronic files may be submitted for each volume; however, each file must clearly identify the area (volume) to which it is responsive.
- (2) **Signed Originals. Submission of electronic proposals via IIPS will constitute submission of signed copies of the required documents. The name of the authorized company official shall be entered (typed) in the appropriate space shown on the form(s). Bidders/Offerors are advised that the submission of your proposal in an electronic format is required.**

Electronic Files to be Submitted as Follows:

Proposal Volume	Title
Volume 1	Offer and Other Documents
Volume 2	Technical and Business Management
Volume 3	Cost Evaluation Information

Each group designated above, is to be submitted individually according to the instructions detailed in the on-line help which can be found at <http://e-center.doe.gov> under the "help" button.

- (h) Maximum Page Limitations. There is no page limitation for the Offer and Other Documents (Volume I) or the Cost Evaluation Information (Volume III). The written information submitted for the Technical and Business Management evaluation (Volume II) shall not exceed the following page limitations:
- (1) Strategic Management(paragraph L.4(a)), Organizational Chart (paragraph L.4(b)(2)), relevant experience information (paragraph L.4 (d)(1)), and Implementation Plan (paragraph L.4(e)(2)) shall together not exceed 50 pages.
 - (2) Key Personnel resumes (paragraph L.4(b)(4)) shall not exceed four pages for each resume. Page limitation does not include Letters of Commitment.

- (3) Past Performance Information (paragraph L.4(d)(2) and L.4(d)(3)) shall have no page limit.
 - (4) Transition Plan (paragraph L.4(e)(1)) shall have a 10-page limit.
 - (5) Executive Summary and Transmittal Letter (L.4(f)) shall have a five-page limit.
- (i) Page Formatting and Restrictions. The following page formatting and restrictions shall apply:
- (1) Page size shall be 8.5 x 11 inches, with the exception of illustrations. Page margins shall be a minimum of one inch at the top, bottom, and each side. Text shall be typed using 12 point (or larger), single-spaced, using a Times New Roman font type. Pages shall be numbered sequentially by volume and by section within the volumes. The solicitation number, page number, name of the offeror, the date, and the legend at FAR 52.215-1(e), "Restriction on Disclosure and Use of Data," as appropriate, shall be provided on each page and is the only information that can be displayed within the one-inch top, bottom, and side margins. A font size smaller than that described in the text below can be used for this information; however, other text reductions are unacceptable. When both sides of a sheet display printed material, they will be counted as two (2) pages.
 - (2) Graphs, tables and spreadsheets where necessary must be 8 point or larger font type.
 - (3) Illustrations such as charts, tables, diagrams, shall not exceed 11 x 17 inches. Illustration pages are considered two pages for purposes of determining the number of pages. When both sides (front and back) of an illustration contain printed material, they will be counted as four pages. Page margins for the illustrations shall be a minimum of one inch at the top, bottom, and each side.
 - (4) Proposal information in Volume II will only be read and evaluated up to the page limitations. Page counting will begin with the first page of each item subject to a page limitation. Page count will be as displayed in IIPS. Pages exceeding the page count will not be read or evaluated. No material may be incorporated by reference as a means to circumvent the page limitations.
 - (5) Tables of Contents, Lists of Figures, a List of Acronyms, dividers, tabs, or similar inserts that do not provide any substantive information are not counted as a page.

L.3 PROPOSAL PREPARATION INSTRUCTIONS - VOLUME I, THE OFFER

Volume I, The Offer and Other Documents, consists of the offer to enter into a contract to perform the desired work and includes the items identified in paragraphs (a) through (f) in the order listed.

- (a) The Offeror shall provide the administrative information, as required by L.1(c)(2) as the first page of Volume I.
- (b) The Offeror shall submit the Standard Form (SF) 33 with blocks 12 through 18 completed by the Offeror. Section A of this solicitation contains a Standard Form 33 for the contract to be awarded under this solicitation.
 - (1) The person signing the SF 33 must have the authority to commit the Offeror to all of the provisions of the resulting contract (See L.23), fully recognizing that the Government intends to make an award without discussions. Whenever the words "Solicitation No. DE-RP96-02PO92207" or "RFP No. DE-RP96-02PO92207" appear in the resulting contract of this solicitation, they shall be deemed to read "Contract No. DE-AC96-03PO92207" in the signed contract for management and operation of the Strategic Petroleum Reserve.
 - (2) In Block 14 of all SF 33s, the Offeror must acknowledge receipt of all amendments to this solicitation as required by L.1, FAR 52.215-1, "Instructions to Offerors – Competitive Acquisition (MAY 2001)."
 - (3) By signing and submitting the SF 33, the Offeror commits to accept the resulting contract (see L.23) as written and to comply with the other provisions of the solicitation. Any exceptions or deviations by the Offeror to the terms and conditions stated in this solicitation for inclusion in the resulting contract may make the offer unacceptable for award without discussions.
- (c) The Offeror shall submit fully completed Section K, Representations, Certifications, and Other Statements of Offerors. The parent company of each member of a teaming arrangement, if proposed, must separately submit and sign the Representations and Certifications.
- (d) The Offeror shall submit a complete Listing of Key Personnel (see Section L, Attachment B). This listing will become part of the resultant contract as an Appendix to Section J.

- (e) The Offeror shall submit a Small Business Subcontracting Plan, which contains all the elements required by the Contract Clause entitled “Small Business Subcontracting Plan.” Section L, Attachment C provides a Model Subcontracting Plan Outline and instructions for preparing the Plan. The Small Business Subcontracting Plan must be approved by the Contracting Officer prior to contract award. This Plan will become part of the resultant contract as an Appendix to Section J.

L.4 PROPOSAL PREPARATION INSTRUCTIONS – VOLUME II, TECHNICAL AND BUSINESS MANAGEMENT EVALUATION INFORMATION

The Offeror shall provide the following information for the Technical and Business Management evaluation. The presentation medium by which the Offerors will be evaluated is set forth below:

Section	Evaluation Criteria	Presentation Medium
L.4(a)	Strategic Management	Written Information
L.4(b)	Management and Organization	
	Organization Plan	Oral Presentation* Written Information
	Key Personnel	Oral Presentation* Written Information
L.4(c)	Operations Management	Oral Presentation*
L.4(d)	Experience and Past Performance	
	Experience	Written Information
	Past Performance, including ES&H Data	Written Information
L.4(e)	Transition/Implementation Plans	Written Information

*Copies of oral presentation slides are to be submitted as a part of Volume II “Technical and Business Management.” .

(a) Strategic Management

The Offeror shall submit its strategic approach to managing the Strategic Petroleum Reserve crude oil storage facilities, as well as the Offeror’s methodology to implement its strategic approach, by addressing each of the following elements.

- (1) Provide a strategic plan for management and operation of the Strategic Petroleum Reserve.

- (2) Describe the management system that will be used to ensure attainment of the SPR mission and related performance expectations.
- (3) Describe the process for achieving continuous improvement in contract performance.
- (4) Describe corporate commitment and availability of resources to support efficient and effective contract performance.
- (5) The Department of Energy promotes the use of small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns, in executing its mission activities, and is particularly interested in providing to such concerns an opportunity to apply their expertise, in a meaningful way, to the work to be conducted under the contract resulting from this solicitation.

Therefore, the Offeror in its proposal, shall describe the participation of such small business as part of the Offeror's plan to accomplish project requirements, (i.e., team members, joint venture partners, subcontractors, and mentor-protégé relationships with small, small disadvantaged or women-owned business.) In addition, to the information required under Sections L.13 and L.35 of this RFP, the Offeror shall provide, in its proposal for each such small business:

- (i) A description of the proposed contractual relationships
- (ii) A description of the type of work, in terms of the variety and complexity of the work
- (iii) The term and dollar amount of the work, and
- (iv) In the case of mentor protégé agreements, the developmental activities that the Offeror will provide to each protégé.

(b) Management and Organization

- (1) The Offeror shall provide an Organization Plan, as part of the oral presentation, which describes the functions and roles of the organizational units. The Plan shall describe how this organizational structure will achieve a high level of quality for Strategic Petroleum Reserve operations and promote diversity, operational concepts for how the units will work together, and indicate who will be the decision authority for major operational decisions. If a joint venture or teaming arrangement will be used, the Organization Plan should address the roles of each member of

the joint venture or teaming arrangement, and how the individual companies will function as a seamless single business unit.

- (2) The Offeror shall provide a written Organization Chart that depicts the Offeror's proposed organizational structure (to at least one level below Key Personnel).
- (3)
 - (i) The Offeror shall provide an oral presentation by each of its Key Personnel who are deemed essential to the successful accomplishment of contract objectives.
 - (ii) In these oral presentations the Key Personnel shall address, relative to their proposed position and the Statement of Work, their qualifications, experience, accomplishments, achievements, and leadership. In addition, each Key Personnel shall address his/her ability to achieve a high level of quality for Strategic Petroleum Reserve operations and meet commitments to customers and adapt to changing requirements.
 - (iii) The Offeror shall describe in these oral presentations its approach to promoting diversity in its workforce (e.g., recruitment, outreach activities) and how its selection of its proposed Key Personnel demonstrate the application of that approach.
- (4) The Offeror shall provide written resumes for each of the Key Personnel. Each resume shall follow the format shown in Section L, Attachment D. A signed letter of commitment must be submitted for each individual listed as a key person, which states that the information contained in the resume submitted as part of the proposal is true and correct, and the individual will accept the position identified in the proposal. Offerors are advised that DOE may contact any or all references in the resumes, as well as third parties. DOE reserves the right to use any information received as part of its evaluation of the Key Personnel.

Failure to submit letters of commitment may result in the Offeror's proposal being eliminated from further consideration for award for failure to meet the solicitation requirements of submitting an acceptable proposal.

(c) Operations Management

The Offeror, as part of the oral presentation, shall describe for each element listed below the Offeror's approach for management of the Strategic Petroleum Reserve, including the methodology that will be used to implement it.

- (1) Managing technical, business, cost, and operating efficiencies at the Strategic Petroleum Reserve, including developing budgets and establishing cost controls.
- (2) Managing the Strategic Petroleum Reserve oil storage facilities in a safe, secure, reliable, and environmentally responsible manner.
- (3) Managing a large workforce to support the mission while improving organizational efficiency, including the recruitment and retention of critical skills, management of human resources and labor issues.
- (4) Managing operation and maintenance of Strategic Petroleum Reserve facilities, as well as supporting activities, to ensure attainment of program and project requirements, including the application of best practices to improve performance.
- (5) Identify specific actions to reduce contract costs, to include the amount of such reductions.

(d) Experience and Past Performance

For the purposes of this subsection, an Offeror shall submit the experience and past performance information, including the individual members of an Offeror's team if the Offeror is proposing as a "contractor team arrangement" as defined in FAR 9.601, and the parent organization(s) that will sign the "Performance Guarantee Agreement" required in L.19.

- (1) The Offeror shall describe its relevant experience for the past three years in operations similar to large scale petroleum operations, with emphasis on the integration of ES&H into operations; the operation and maintenance of petroleum-related facilities; and meeting and exceeding industry performance standards in facility operations, technical performance, and business management. The description should relate to experience relevant to the Statement of Work in type, duration, scope, complexity, dollar value, and risk; management effectiveness in meeting performance objectives for operational excellence; experience in dealing with difficult technical challenges and technology issues; and Corporate support to relevant operations. To the extent that the Offeror's experience relates to a parent organization or a "team member," the Offeror shall address that entity's role in performing the Contract resulting from this solicitation.
- (3) (2) Using the Past Performance Package identified in Section L, Attachment E, the Offeror shall submit the relevant information for no more than five public or private contracts, which are currently being

performed or have been completed within the past three years. These must be related to operations similar to large-scale petroleum operations in duration, scope, complexity, dollar value and risk. The Offeror shall provide at least two references for each contract. The Government may consider information from sources other than those identified by the Offeror. The information requested by the Government from offeror provided references and other sources will include quality of service, timeliness of performance, cost control and business relations. The Offeror may also provide information on problems encountered on the identified contracts and the Offeror's corrective actions. In addition, the Offeror may describe any recognized accomplishments or awards that the Offeror has received on the identified contracts. Offerors should provide, for no more than five recent Federal prime contracts, its performance in meeting subcontracting targets for small business, HUBZone small business, small disadvantaged business, and women-owned business concerns. This information shall include the agency with whom the contract was executed, the period of performance, the dollar value of the contract, the goals set out in the contract and the actual accomplishments against those goals. The Offeror shall identify any contract involving similar operations work valued over \$10 Million that was terminated in whole or in part, for any reason, in the past three years. For any such contract, the Offeror shall provide its description of the reason for termination, and any explanation it may wish to provide.

(e) Transition/Implementation Plans

- (1) The Offeror shall provide a written Transition Plan that describes its proposed process for providing an orderly transition to its proposed approach, minimizing impacts on continuity of operations, identifying key issues and milestones, mitigating problems that may arise during transition, and removing barriers to an orderly transition.
- (2) The Offeror shall submit an integrated Implementation Plan that contains a schedule including milestones and measurable commitments to implement the elements described in Strategic Management (L.4(a)), and Operations Management (L.4(c)). The Implementation Plan shall include references to appropriate paragraphs or slides from L.4(a) and (c) from which that portion of the Implementation Plan is derived.

(f) **Executive Summary/Transmittal Letter**

The Offeror shall submit an Executive Summary/Transmittal Letter that outlines key aspects of the Offeror's Volume II, Technical and Business Management Evaluation Information.

L.5 PROPOSAL PREPARATION INSTRUCTIONS - VOLUME III, COST EVALUATION INFORMATION

The Offeror shall provide the following written information for the evaluation of Volume III, Cost Evaluation Information, as identified below.

(a) **Fee**

The Offeror shall propose a Maximum Available Fee for the period April 1, 2003, through September 30, 2003, and all subsequent Fiscal Years (including option years) as listed in the chart in Section B, paragraph B.2(c)(5) of the solicitation. The Maximum Available Fee proposed shall be entered in Column D of the chart in paragraph B.2(c)(5) and in the written information in Volume III.

The Offeror's proposed Maximum Available Fee shall not exceed the Maximum Available Fee calculated from the Department of Energy Acquisition Regulation (DEAR) for the period of April 1, 2003, through September 30, 2003, and all subsequent Fiscal Years (including option years) as listed in Column C of the chart in paragraph B.2(c)(5).

The Offeror shall calculate the percentage the proposed Maximum Available Fee in Column D is of the Maximum Available Fee calculated from the DEAR in Column C and enter it in Column E of the chart in paragraph B.2(c)(5) and in the written information in Volume III.

(b) **Transition Cost**

The transition period (February 1, 2003 to March 31, 2003) will be included as the first Item in Section B 5 of the Contract and priced on a cost-reimbursement basis.

The Offeror shall provide a cost breakdown of its transition cost estimate that is of sufficient detail to allow for evaluation of the cost reasonableness and realism of the proposed effort. The information submitted may be in the Offeror's preferred format but shall address the total cost of the transition period by major transition activity. Proposed costs shall be broken down by the following major cost elements: direct labor (including number of personnel and dollars), fringe benefits, indirect cost allocations (by pool type and rate), relocation, travel,

facilities, materials, supplies, subcontracts, and all other cost elements related to the period of transition.

(c) Key Personnel Cost

The Offeror shall provide the annual salary cost including benefits for each of the proposed Key Personnel for the first two years of the contract. The Offeror shall complete and submit the table entitled "KEY PERSONNEL COSTS" found at Section L, Attachment F. Allowability of Executive Compensation is subject to the Federal Statutes as set forth in Section H, Clause H.13 "Advance Understanding on Human Resources".

(d) Determination of Financial Capability

Federal Acquisition Regulation (FAR) 9.104-1(a) requires a prospective Contractor to have adequate financial resources to perform the Contract or the ability to obtain them in order to be determined responsible. It is the Offeror's responsibility to demonstrate its financial capability to complete this Contract. Information provided by the Offeror shall include, but not be limited to, the following:

- (1) A current balance sheet and a profit/loss statement covering the most recently completed Fiscal Year (audited statements, if available);
- (2) An audit opinion (rendered by an independent CPA firm) and the related audited financial statements and notes to the financial statements for the last two Fiscal Years (should include three years if the information provided in response to (1) is unaudited);
- (3) The information in (1) and (2) above for all participants if the Offeror is a joint venture.

DOE shall make a determination of financial capability to complete this contract. DOE may request a financial capability review from the Defense Contract Audit Agency as part of DOE's consideration in making the financial capability determination.

(e) Additional Information and Required Data

- (1) If a joint venture is proposed, the Offeror shall clearly identify the cost proposal information by participant.

- (2) The Offeror shall provide any information required to explain the estimating process including: (i) judgmental factors applied and the mathematical or other methods used in estimating, and (ii) the nature and amount of any contingencies included in the cost proposal.
- (3) If the Offeror's estimating and/or accounting practices differ from the requested cost proposal content, the Offeror shall use this reconciliation to explain any differences.
- (4) The Offeror shall provide the name, address, and telephone number for the cognizant Administrative Contracting Officer and the cognizant Audit Agency Office, if applicable. The Offeror shall also provide the name, address, and telephone number of person(s) authorized to provide any clarifying information regarding Volume III, Cost Evaluation Information.
- (5) All pages in the cost proposal, including forms, tables, and exhibits, must be numbered and identified in a table of contents or index. The cost proposal shall be sufficiently complete so that cross-referencing to other volumes is not necessary. None of the information contained in this Volume III should be included in any other proposal volume unless specifically requested in this solicitation. There is no page limitation on the cost proposal. DOE reserves the right to request any additional information deemed necessary to properly evaluate Volume III, Cost Evaluation Information.

L.6 PROPOSAL PREPARATION INSTRUCTIONS - ORAL PRESENTATION PROCEDURES

- (a) General. The Offeror must present information required in Section L.4(b)(1), (b)(3) and (c), and answer questions relative to Section L.4, in an oral presentation to the Source Evaluation Board. The Source Evaluation Board will evaluate the presentation information against the criteria specified in Section M. The oral presentation will not constitute a part of the offer in Volume I, and it is not the Government's intent to incorporate any portion of the oral presentation into any contract resulting from this solicitation. The oral presentation will not constitute "discussions" as defined in FAR 15.306(d), nor will it obligate the Government to conduct discussions, to solicit offer revisions, or to solicit final proposal revisions.
- (b) Schedule. DOE will schedule the oral presentations based on a drawing of lots and will notify each Offeror within five working days after the proposal submission date of the date, time, location, and other instructions related to its oral presentation. The oral presentation will commence within approximately ten to fifteen working days thereafter. DOE reserves the right to reschedule an

Offeror's presentation. DOE will not consider a request from an Offeror to reschedule its presentation, except under extenuating circumstances, e.g., personal sickness or emergency. The schedule for each Offeror's oral presentation will be as shown below:

Schedule		Activity
From	To	
First Day		
7:30 a.m.	8:30 a.m.	Presentation Room Open to Offeror
8:30 a.m.	9:00 a.m.	Introductions and DOE Instructions
9:00 a.m.	12:15 p.m.	Offeror's Key Personnel and Organization Plan Presentation with Three 15 Minute Periods for Breaks
12:15 p.m.	1:30 p.m.	Lunch
1:30 p.m.	3:30 p.m.	Operations Management with Two 15 Minute Periods for Breaks
3:30 p.m.	4:00 p.m.	DOE Clarification Questions
Second Day		
8:00 a.m.	9:00 a.m.	Presentation Room Open to Offeror
9:00 a.m.	11:00 a.m.	DOE Questions and Offeror's Responses with One 10 Minute Break
11:00 a.m.	11:30 a.m.	Offeror's Closing Statement

(c) Oral Presentation Format.

- (1) Location. Offerors can arrange to view the facility in preparation for the presentations by contacting Anne Quern at (504) 304-4014 or e-mail to anne.quern@sprseb.com
- (2) Presenters. The Offeror's proposed Key Personnel must participate in the oral presentation. The Offeror's Key Personnel should present those areas of the oral presentation for which they will have management responsibility. The Offeror may also include participation by its corporate officials, not to exceed three individuals. Offeror's may have administrative/clerical support personnel to assist with presentations.
- (3) Content of Oral Presentation. The Offeror shall present oral information on those areas described in Section L.4(b)(1), (b)(3) and (c) on the first day of the oral presentations.

On the second day of the oral presentations, the Board shall conduct a question and answer session with the Offeror and shall ask questions to explore the Offeror's knowledge and understanding of the requirements of Section L.4 and its ability to satisfy those requirements. The Offeror will have approximately 10 minutes to prepare and respond to each of the questions. The same questions will be asked of all Offerors. The question and answer session shall not constitute discussions, as that term is defined in FAR 15.306(d).

- (4) Copies of Oral Presentation Slides. Any slide utilized during any part of the oral presentation must be submitted with the Offeror's Volume II as instructed in Paragraph L.4. DOE will only consider those oral presentation slides actually presented by the Offeror during the time allotted for its oral presentations. Any information on slides previously submitted but not discussed in the oral presentation will not be considered in the evaluation. Offerors are reminded to consider marking the slides with the restrictive legend found at FAR 52.215-1(e).
- (5) Media. The Offeror shall use PowerPoint 2000 or greater to make its presentation. The Offeror's presentation provided with its proposal will be downloaded onto a CD ROM by the Government and provided to the Offeror for use at the oral presentation. The Offeror shall be restricted to using only that information provided with its proposal in making the oral presentation and shall not bring any additional slides or information. The DOE will provide a computer with overhead projector and a projection screen for the Offeror's use during the oral presentation. Pre-recorded videotaped presentations that lack real-time interactive dialogue will not be allowed.
- (6) Video Recording. DOE shall make a video recording of the oral presentation. A copy of the video recording will be provided to the Offeror.
- (7) Exchanges With Offerors. Clarification questions from the Source Evaluation Board during the oral presentations will only be asked if needed to provide immediate information that cannot wait until the presentation is concluded (e.g., unfamiliar words or terms, or to request that the speaker repeat something that was not heard clearly). At the conclusion of all oral presentations, on the first day, the Offeror may be asked clarification questions to facilitate the Board's understanding of the entire oral presentation. These clarification questions between the Offeror and the Board are not discussions, as that term is defined in FAR 15.306(d), and the Offeror will not be allowed to revise its oral presentation or written information as a result of these clarification

questions. Nor will these clarification questions obligate DOE to establish a competitive range and hold discussions with the Offeror.

- (8) Offeror's Closing Statement. After the conclusion of oral presentations, the Offeror will be allowed to make a closing statement to the Source Evaluation Board as specified in the Schedule. The purpose of the Closing Statement is to summarize the oral information presented and is not a summary of the entire proposal. The Source Evaluation Board will not ask any questions during or after the Offeror's closing statement.

L.7 IPPS SUPPLEMENTAL SOLICITATION DEFINITIONS (FEB 2001)

"Proposal" means the electronic written proposal, bid or application submitted via IPPS or an authorized alternative in response to this solicitation.

"Oral Presentation" means the information presented orally in response to this solicitation, which demonstrates the offeror's capability to perform the stated requirements.

"IPPS" is the acronym for the "Industry Interactive Procurement System" and means the hardware, firmware and software platform, including the associated databases, by which the U.S. Department of Energy conducts electronic business.

"Electronic signature or signature" means a method of signing an electronic message that-

- (a) Identifies and authenticates a particular person as the source of the electronic message; and
- (b) Indicates such person's approval of the information contained in the electronic message.

L.8 IPPS INTENTION TO PROPOSE (SEP 1999)

Please review this solicitation. To enable us to anticipate the number of submissions to be evaluated, please complete the information in the Intention to Propose (Section L, Attachment H) and email the completed form to the Contract Specialist by the earliest practical date.

L.9 NUMBER OF AWARDS

It is anticipated that only a single contract award will result from this solicitation.

L.10 ALTERNATE PROPOSALS

DOE will not entertain or evaluate alternate proposals including those that are contingent on winning more than one award.

L.11 FAR 52.216-1 TYPE OF CONTRACT (APR 1984)

The Government contemplates award of a cost-plus-award-fee performance-based management and operating contract resulting from this solicitation.

L.12 FAR 52.204-6 DATA UNIVERSAL NUMBERING SYSTEM (DUNS) NUMBER (JUN 1999)

- (a) The offeror shall enter, in the block with its name and address on the cover page of its offer, the annotation "DUNS" followed by the DUNS number that identifies the offeror's name and address exactly as stated in the offer. The DUNS number is a nine-digit number assigned by Dun and Bradstreet Information Services.
- (b) If the offeror does not have a DUNS number, it should contact Dun and Bradstreet directly to obtain one. A DUNS number will be provided immediately by telephone at no charge to the offeror. For information on obtaining a DUNS number, the offeror, if located within the United States, should call Dun and Bradstreet at 1-800-333-0505. The offeror should be prepared to provide the following information:
 - (1) Company name.
 - (2) Company address.
 - (3) Company telephone number.
 - (4) Line of business.
 - (5) Chief executive officer/key manager.
 - (6) Date the company was started.
 - (7) Number of people employed by the company.
 - (5) Company affiliation.
- (c) Offerors located outside the United States may obtain the location and phone number of the local Dun and Bradstreet Information Services office from the Internet home page at <http://www.customerservice@dnb.com>. If an offeror is unable to locate a local service center, it may send an e-mail to Dun and Bradstreet at globalinfo@mail.dnb.com.

L.13 FAR 52.219-24 SMALL DISADVANTAGED BUSINESS PARTICIPATION PROGRAM – TARGETS (OCT 2000)

- (a) This solicitation contains a source selection factor or subfactor related to the participation of small disadvantaged business (SDB) concerns in the contract.
- (b) In order to receive credit under the source selection factor or subfactor, the offeror must provide, with its offer, targets, expressed as dollars and percentages of total contract value, for SDB participation in any of the North American Industry Classification System (NAICS) Industry Subsectors as determined by the Department of Commerce. The targets may provide for participation by a prime contractor, joint venture partner, teaming arrangement member, or subcontractor; however, the targets for subcontractors must be listed separately.

L.14 FAR 52.222-24 PREAWARD ON-SITE EQUAL OPPORTUNITY COMPLIANCE REVIEW (FEB 1999)

If a contract in the amount of \$10 million or more will result from this solicitation, the prospective Contractor and its known first-tier subcontractors with anticipated subcontracts of \$10 million or more shall be subject to a preaward compliance evaluation by the Office of Federal Contract Compliance Programs (OFCCP) unless, within the preceding 24 months, OFCCP has conducted an evaluation and found the prospective Contractor and subcontractors to be in compliance with Executive Order 11246.

L.15 FAR 52.233-2 SERVICE OF PROTEST (AUG 1996)/DEAR 952.233-2 SERVICE OF PROTEST (AUG 1996)

- (a) Protests, as defined in Section 33.101 of the Federal Acquisition Regulation, that are filed directly with an agency, and copies of any protests that are filed with the General Accounting Office (GAO), shall be served on the Contracting Officer (addressed as follows) by obtaining written and dated acknowledgment of receipt from:

Gary C. Landry
Contracting Officer
U S. Department of Energy Strategic Petroleum Reserve
Project Management Office
Acquisition and Sales Division
900 Commerce Road, East
New Orleans, LA 70123

Telephone: (504) 734-4660
 Facsimile: (504) 818-5660
 (504) 734-4947
 E-mail: gary.landry@spr.doe.gov

- (b) The copy of any protest shall be received in the office designated above within one day of filing a protest with the GAO.
- (c) Another copy of a protest filed with the GAO shall be furnished to the following address within the time periods described in paragraph (b) of this clause: U.S. Department of Energy, Assistant General Counsel for Procurement and Financial Assistance (GC-61), 1000 Independence Avenue, S.W., Washington, DC, 20585, FAX (202) 586-0325.

L.16 FAR 52.252-1 SOLICITATION PROVISIONS INCORPORATED BY REFERENCE (FEB 1998)

This solicitation incorporates one or more solicitation provisions by reference, with the same force and effect as if they were given in full text. Upon request, the Contracting Officer will make their full text available. The offeror is cautioned that the listed provisions may include blocks that must be completed by the offeror and submitted with its quotation or offer. In lieu of submitting the full text of those provisions, the offeror may identify the provision by paragraph identifier and provide the appropriate information with its quotation or offer. Also, the full text of a solicitation provision may be accessed electronically at this/these address(es):

Federal Acquisition Regulations	http://www.arnet.gov/far/
Federal Acquisition Forms	http://contacts.gsa.gov/webforms.nsf/ http://web1.whs.osd.mil/forms
Department of Energy Acquisition Regulations	http://www.pr.doe.gov/dear.html and http://farsite.hill.af.mil/vfdoe1.htm

L.17 DEAR 952.233-4 NOTICE OF PROTEST FILE AVAILABILITY (SEP 1996)

- (a) If a protest of this procurement is filed with the General Accounting Office (GAO) in accordance with 4 CFR Part 21, any actual or prospective Offeror may request the Department of Energy to provide it with reasonable access to the protest file pursuant to FAR 33.104(a)(3)(ii), implementing section 1065 of Public Law 103-355. Such request must be in writing and addressed to the Contracting Officer for this procurement.
- (b) Any Offeror who submits information or documents to the Department for the purpose of competing in this procurement is hereby notified that information or documents it submits may be included in the protest file that will be available to actual or prospective Offerors in accordance with the requirements of FAR 33.104(a)(3)(ii). The Department will be required to make such documents available unless they are exempt from disclosure pursuant to the Freedom of Information Act. Therefore, Offerors should mark any documents as to which they would assert that an exemption applies. (See 10 CFR part 1004.)

L.18 DEAR 952.233-5 AGENCY PROTEST REVIEW (SEP 1996)

Protests to the Agency will be decided either at the level of the Head of the Contracting Activity or at the Headquarters level. The Department of Energy's agency protest procedures, set forth in DEAR 933.103, elaborate on these options and on the availability of a suspension of a procurement that is protested to the agency. The Department encourages potential protesters to discuss their concerns with the Contracting Officer prior to filing a protest.

L.19 DEAR 970.5209-1 REQUIREMENT FOR GUARANTEE OF PERFORMANCE (DEC 2000)

The successful offeror is required by other provisions of this solicitation to organize a dedicated corporate entity to carry out the work under the contract to be awarded as a result of this solicitation. The successful offeror will be required, as part of the determination of responsibility of the newly organized, dedicated corporate entity and as a condition of the award of the contract to that entity, to furnish a guarantee of that entity's performance. That guarantee of performance must be satisfactory in all respects to the Department of Energy. The successful Offeror shall submit the last three annual reports for the parent corporation(s) or the organization(s) providing the Performance Guarantee Agreement. This Agreement will become part of the resulting contract as an Appendix to Section J.

The Performance Guarantee Agreement to support this requirement is at Section L, Attachment G.

L.20 DEAR 970.5215-5 LIMITATION ON FEE (DEC 2000)

- (a) For the purpose of this solicitation, fee amounts shall not exceed the total available fee allowed by the fee policy at 48 CFR 970.1504-1-1, or as specifically stated elsewhere in the solicitation.
- (b) The Government reserves the unilateral right, in the event an offeror's proposal is selected for award, to limit: fixed fee to not exceed an amount established pursuant to 48 CFR 970.1504-1-5; and total available fee to not exceed an amount established pursuant to 48 CFR 970.1504-1-9; or fixed fee or total available fee to an amount as specifically stated elsewhere in the solicitation.

L.21 DEAR 970.5227-7 ROYALTY INFORMATION (DEC 2000)

- (a) Cost or charges for royalties. If the response to this solicitation contains costs or charges for royalties totaling more than \$250, the following information shall be included in the response relating to each separate item of royalty or license fee:
 - (1) Name and address of licensor;
 - (2) Date of license agreement;
 - (3) Patent numbers, patent application serial numbers, or other basis on which the royalty is payable;
 - (4) Brief description, including any part or model numbers of each contract item or component on which the royalty is payable;
 - (5) Percentage or dollar rate of royalty per unit;
 - (6) Unit price of contract item;
 - (7) Number of units; and
 - (8) Total dollar amount of royalties.
- (b) Copies of current licenses. In addition, if specifically requested by the Contracting Officer before execution of the contract, the offeror shall furnish a copy of the current license agreement and an identification of applicable claims of specific patents or other basis upon which the royalty may be payable.

**L.22 DEAR 970.5227-9 NOTICE OF RIGHT TO REQUEST A PATENT WAIVER
(DEC 2000)**

Offerors have the right to request a waiver of all or any part of the rights of the United States in inventions conceived or first actually reduced to practice in performance of the contract, in advance of or within 30 days after the effective date of contracting. If such advance waiver is not requested or the request is denied, the Contractor has a continuing right under the contract to request a waiver of the rights of the Government in identified inventions, i.e., individual inventions conceived or first actually reduced to practice in performance of the contract. Contractors that are domestic small businesses and domestic nonprofit organizations may not need a waiver and will have included in their contracts a patent clause reflecting their right to elect title to subject inventions pursuant to the Bayh-Dole Act (*35 U.S.C. 200 et seq.*).

L.23 CONTENT OF RESULTING CONTRACT

Any Contract awarded as a result of this solicitation will contain Part I – The Schedule, Part II –Contract Clauses, and Part III, Section J – List of Documents, Exhibits and Other Attachments. Blank areas appearing in these sections, indicated by “**TBD**” will be completed prior to Contract signing.

L.24 DOE ISSUING OFFICE

Gary C. Landry
Contracting Officer
U S. Department of Energy
Strategic Petroleum Reserve Project Management
Acquisition and Sales Division
900 Commerce Road East
New Orleans, LA 70123

Telephone: (504) 304-4015
Facsimile: (504) 304-4016
E-mail: gary.landry@sprseb.com

L.25 TIME, DATE, AND PLACE OFFERS AND PROPOSAL INFORMATION ARE DUE – ELECTRONIC SUBMISSION (OCT 2001)

- (a) Bid/Proposal Submission via the Industry Interactive Procurement Systems (IIPS)

Bids/Proposals must be received through the IIPS web site NO LATER THAN 2:00 p.m. central time on August 14, 2002. **CAUTION:** See bid/proposal submission instructions, including the provision describing treatment of Late Proposals, Modifications and Withdrawals, FAR 52.215-1.

- (b) Bid/Proposal Submission by Other than IPPS.

Submission of bids/proposals by means other than IPPS is not authorized.

L.26 SMALL BUSINESS SIZE STANDARDS AND SET-ASIDE INFORMATION (UNRESTRICTED)

This acquisition is unrestricted and contains no set-aside provisions.

L.27 OFFER ACCEPTANCE PERIOD

The minimum offer acceptance period is 210 calendar days after the required date for receipt of offers. Block 12 of the Standard Form 33, Solicitation, Offer, and Award, does not apply.

L.28 FALSE STATEMENTS

Offers and Proposal Information must set forth full, accurate, and complete information as required by this solicitation (including attachments). The penalty for making false statements therein is prescribed in 18 U.S.C. 1001.

L.29 EXPENSES RELATED TO OFFER AND OTHER WRITTEN INFORMATION

This solicitation does not commit the Government to pay any costs incurred in the submission of any offer and other written information, or in making necessary studies or designs for the preparation thereof or to acquire or contract for any services.

L.30 COMMITMENT OF PUBLIC FUNDS

The Contracting Officer is the only individual who can legally commit the Government to the expenditure of public funds in connection with the proposed acquisition. Any other commitment, either explicit or implied, is invalid.

L.31 RESPONSIBLE PROSPECTIVE CONTRACTORS

- (a) The general and additional minimum standards for responsible prospective Contractors set forth at 48 CFR 9.1 and 48 CFR 909.1 apply.
- (b) DOE may conduct preaward surveys in accordance with 48 CFR 9.106 and may solicit from available sources, relevant information concerning the Offeror's record of past performance, and use such information in making determinations of prospective Offeror responsibility.

L.32 DISPOSITION OF OFFERS AND PROPOSAL INFORMATION

Offers and Proposal Information will not be returned (except for timely withdrawals).

L.33 AVAILABILITY OF REFERENCED DOCUMENTS AND ORGANIZATIONAL INTERNET URL ADDRESS INFORMATION

Section L, Attachment A, contains a detailed list of various available reference documents and organizational websites of interest for the Offeror's information and use in connection with preparing an offer and other written information under this solicitation. Such documents are available directly from the links identified in Section L, Attachment A.

Offerors are cautioned that although the list of referenced documents and organizational websites in Attachment A is comprehensive, it is not, nor was it intended to be, all-inclusive. Offerors are strongly urged to perform their own additional Internet research using these and other available links.

L.34 STRATEGIC PETROLEUM RESERVE TOURS AND BRIEFINGS

A tour of the SPR facilities in Texas and Louisiana will be conducted from July 8, 2002 to July 11, 2002 as follows:

Bryan Mound:	July 8, 2002
Big Hill:	July 9, 2002
West Hackberry:	July 10, 2002
Bayou Choctaw:	July 11, 2002

It will be incumbent on each individual to make his/her transportation arrangements to and from each of the sites. Attendees should report to the site on the date specified above, no later than 8:30 a.m., local prevailing time.

Registration will be required prior to the date/time set for the site tours. Please limit attendance to three (3) people per organization. Only the specific individuals registered will be allowed to participate. Name, social security number and citizenship of attendees must be sent to Anne Quern via email at anne.quern@sprseb.com not later than June 28, 2002. The tour will be conducted at secure U.S. Government facilities. Strict adherence to government security procedures for visitors will be followed. Only U.S. citizens will be allowed on the facilities. Noncitizens will not be permitted access.

The purpose of this tour will be to familiarize prospective offerors with the site facilities. Each tour is expected to be completed by 12:00 p.m. Oral questions pertaining to the scope of work or other contractual matters will not be entertained during the tours. A brief question and answer period will be conducted at the conclusion of the tours; questions arising during the tours related to the sites will be addressed then. No photographs of the facility may be taken during the tours. No cameras, videotapes, or tape recorders will be allowed on the tours. Other prohibited articles include firearms, alcoholic beverages, explosives, incendiary devices, ammunition, other weapons, and illegal drugs. All vehicles and hand carried items entering DOE SPR facilities are subject to search.

The itinerary for the tours is as follows:

- Site Briefing
- Tour of facility
- Question and Answer period

A preproposal conference will be held on July 16, 2002 at the Department of Energy, Strategic Petroleum Reserve Project Management Office, 900 Commerce Road East, New Orleans, Louisiana 70123 from 1:00 p.m. to 4:00 p.m. Registration will be required prior to the date/time set for the conference. Please limit attendance to three (3) people per organization. Only the specific individuals registered will be allowed to participate. Name, social security number and citizenship of attendees must be sent to Anne Quern via email at anne.quern@sprseb.com not later than June 28, 2002. The conference will be conducted at secure U.S. Government facilities. Strict adherence to government security procedures for visitors will be followed. Only U.S. citizens will be allowed on the facilities. Noncitizens will not be permitted access. In order to allow for preparation of responses, any questions pertaining to this Request for Proposal must be submitted no later than July 9, 2002 so that they can be properly considered and answered at the conference. Questions shall be submitted in accordance with L.36. All questions/answers will be posted in IIPS. Only individuals representing Offerors, who have submitted the Offeror Intent Form, Attachment H, may attend the briefing and tours.

L.35 SMALL BUSINESS PLAN AND SMALL DISADVANTAGED BUSINESS TARGETS

A completed and acceptable Small Business Plan is required to be submitted in accordance with Attachment C. This plan will become part of the contract as Appendix D to Section J. In addition, Offerors will complete Attachment I, Small Disadvantaged Business Participation Program Targets. This will also become part of the contract as Appendix J to Section J and evaluated under criterion M.4(a).

L.36 OFFEROR QUESTIONS OR COMMENTS

Offerors are requested to submit questions or comments concerning the Request for Proposals using IIPS by 4:00 p.m. Central time on July 9, 2002. These questions will be answered at the preproposal conference. Subsequent questions or comments must be submitted by 4:00 p.m. Central time on July 31, 2002. Questions received after such time may not be answered.

L.37 LIST OF ATTACHMENTS TO SECTION L

<u>Attachment</u>	<u>Title</u>
A	Referenced Documents And Organizational Internet URL Address Information
B	Listing of Key Personnel
C	Instructions for Small Business Subcontracting Plan
D	Key Personnel Resume Format
E	Offeror Experience and Past Performance Reference Information Worksheet and Questionnaire
F	Key Personnel Cost
G	Performance Guarantee Agreement
H	Intention to Propose
I	Small Disadvantaged Business Participation Program Targets Form

SECTION L - ATTACHMENT A

**REFERENCED DOCUMENTS AND ORGANIZATIONAL
INTERNET URL ADDRESS INFORMATION**

Electronic Reading Room Documents - The documents listed below are located in the Electronic Reading Room entitled "M&O Contract Reading Room" at the Internet URL:

<http://www.spr.doe.gov>

- Current M&O Contract (DE-AC96-93PO18000)
- Strategic Petroleum Reserve Strategic Plan
- Fiscal Year 2001 Annual Performance Plan
- Fiscal Year 2002 Performance Evaluation and Management Plan
- Vapor Pressure Management Plan
- Performance Fee(s), which includes the last 4 Award Fee Determination Letters from FY 2000- FY 2001; Determination Letters for Individual Incentives for FY 2000- FY 2001; and Earned Fee Summary
- Fiscal Year 2002 Work Authorization Directives
- Personnel Appendix
- Environment, Safety and Health Standards List
- Strategic Petroleum Reserve Cost Reduction Goals

SECTION L -ATTACHMENT B

LISTING OF KEY PERSONNEL

KEY PERSONNEL

<u>TITLE</u>	<u>NAME</u>

SECTION L – ATTACHMENT C**Instructions for Small Business Subcontracting Plan**

Federal Acquisition Regulation (FAR), paragraph 19.708(b) prescribes the use of the clause at FAR 52.219-9 entitled “Small Business Subcontracting Plan.” The following is a suggested model for use when formulating such subcontracting plan. To assist in developing the plan, the Fiscal Year 2002 Departmental Goals for subcontracting are 47% for small business, 9.6% for small disadvantaged business, 7.7% for women-owned small businesses, 0.3% for HUBZone, and .01% for Service Disabled Veteran-owned small businesses. While this model plan has been designed to be consistent with FAR 52.219-9, other formats of a subcontracting plan may be acceptable. However, failure to include the essential information as exemplified in this model may cause a delay in plan review and approval. The use of this model is not intended to waive other requirements that may be applicable under FAR 52.219-9. “Subcontract,” as used in this clause, means any agreement (other than one involving an employer-employee relationship) entered into by a Federal Government prime contractor or subcontractor calling for supplies or services required for performance of the contract or subcontract. *Note to Offerors: The approved plan will become part of any resulting contract under Section J, Appendix D.*

MODEL SUBCONTRACTING PLAN OUTLINE

Contractor: _____

Address: _____

 _____Solicitation Number: DE-RP96-02PO92207_____Item/Service: _____
 _____Amount of Contract First Year: Estimated \$_____

Total Amount of Contract Estimated: \$_____

Period of Contract Performance: _____

Options (if any): _____

Type of Plan (Check One)

- _____ Individual Plan (See FAR19.701, 19.704, and 52.219-9(b))
- _____ Master Plan (See FAR 19.701, 19.704 and 52.219-9(b) and (f))
- _____ Commercial Plan (See FAR 19.701, 19.704 and 52.219-9(b) and (g)).

I. Goals

The Contractor shall submit its proposed subcontracting goals each fiscal year during the term of this contract, or by such later date as authorized in writing by the Contracting Officer. This submittal shall include goals for Small Business (SB), Veteran-Owned Small Business (VOSB), Service-Disabled Veteran-Owned Small Business (SDVOSB), HubZone Small Business (HSB), Small Disadvantaged Business (SDB) and Women-owned Small Business (WOSB) concerns. The established goals will be incorporated into this plan by contract modification.

The goals shall be expressed in both dollars and percentages for Large Business (LB), SB, VOSB, SDVOSB, HSB, SDB, and WOSB concerns. For contracts with options, provide a separate statement for the basic contract and individual statements for each option year.

- A. The following percentage goals (expressed in terms of a percentage of total planned subcontracting dollars) are applicable to the contract cited above or to the contract awarded under the solicitation cited.
1. The total estimated dollar value of all planned subcontracting (to all types of business concerns) under this contract is \$ _____ (100%)
 - a. Large Business Concerns. Total estimated dollar value and percent of planned subcontracting with large businesses (all business concerns classified as "other than small") (% of 1. above):
\$ _____ and _____%.
 - b. Small Business Concerns. Total estimated dollar value and percent of planned subcontracting with small businesses (include small disadvantaged and women-owned small businesses) (% of 1. above): \$ _____ and _____%
 - c. Veteran-Owned Small Business. Total estimated dollar value and percent of planned subcontracting with veteran-owned small businesses (% of 1. above): \$ _____ and _____%.
This amount is included in the amount shown under A.1.b, above, as a subset.

- d. Service-Disabled Veteran-Owned Small Business. Total estimated dollar value and percent of planned subcontracting with service-disabled veteran-owned small business (% of 1. above): \$ _____ and _____%. This amount is included in the amount shown under A.1.b, above, as a subset.
- e. HUBZone Small Business Concerns. Total estimated dollar value and percent of planned subcontracting with HUBZone Small Businesses (% of 1. above): \$ _____ and _____%. This amount is included in the amount shown under A.1.b, above, as a subset.
- f. Small Disadvantaged Business Concerns. Total estimated dollar value and percent of planned subcontracting with small disadvantaged businesses (% of 1. above): \$ _____ and _____%. This amount is included in the amount shown under A.1.b, above, as a subset.
- g. Women-owned Small Business Concerns. Total estimated dollar value and percent of planned subcontracting with small women-owned businesses (% of 1. above): \$ _____ and _____%. This amount is included in the amount shown under A.1.b, above, as a subset.
- B. A description of all the types of products and/or services that will be acquired under this contract is necessary to determine how the subcontracted dollars are to be spent.
1. The following principal products and/or services will be subcontracted under this contract, and the types of businesses supplying them are as

Product/Service Description	Planned Subcontractor (if known)	Business Size SB, VOSB, SDVOSB, HSB, SDB, WOSB	Subcontract % Description or Dollar Amount

(Attachment may be used if additional space is required.)

2. Include a description of the method used to develop the subcontracting goals for SB, VOSB, SDVOSB, HSB, SDB, and WOSB concerns; i.e., explain the method and state the quantitative basis (in dollars) used to establish the percentage goals; how the areas to be subcontracted to SB, VOSB, SDVOSB, HSB, SDB, and WOSB concerns were determined; and how the capabilities of SB, VOSB, SDVOSB, HSB, SDB, and WOSB were determined. Include any source lists used in the determination process. Include a description of the method used to identify potential sources for solicitation purposes.

3. Indirect cost have ☐, have not ☐ been included in the dollar and percentage subcontracting goals stated above. (Check one by double clicking)
4. If indirect costs have been included, explain the method used to determine the proportionate share of such costs to be allocated as subcontracts to SB, VOSB, SDVOSB, HSB, SDB, and WOSB concerns.

II. PROGRAM ADMINISTRATOR

The subcontracting plan is to be administered by the contractor to assure that the provisions of applicable Law and the plan are implemented and performed. Any change in the name of the administrator will be communicated without delay to the Contracting Officer by letter and will not require a contract modification.

Name, title, position within the corporate structure, and duties and responsibilities of the employee who will administer the contractor's subcontracting program.

Name: _____
 Title: _____
 Address: _____
 Telephone: _____

Duties: Has general overall responsibility for the contractor's subcontracting program, i.e., developing, preparing, and executing individual subcontracting plans and monitoring performance relative to the requirements of this particular plan. The actual duties of how the administrator will carry out the requirements of this individual plan should be stated here.

These duties may include, but are not limited to, the following activities:

- Developing and maintaining bidders lists of SB, VOSB, SDVOSB, HSB, SDB, and WOSB concerns from as many sources as possible.
- Ensuring that procurement packages are structured to permit participation of SB, VOSB, SDVOSB, HSB, SDB, and WOSB concerns to the maximum extent possible.
- Ensuring inclusion of SB, VOSB, SDVOSB, HSB, SDB, and WOSB concerns whose capabilities coincide with solicitations requiring their products or services
- Reviewing solicitations to identify and remove any statements, clauses, etc., which may restrict or prohibit participation of SB, VOSB, SDVOSB, HSB, SDB, or WOSB concerns.
- Ensuring that proper documentation provided by procurement personnel if selection not made to SB, VOSB, SDVOSB, HSB, SDB, or WOSB concern that provided low bid.
- Ensure establishment and maintenance of records of purchase orders and subcontract award activity.
- Attending or arranging for attendance of company counselors at Business Opportunity Workshops, Minority Business Enterprise Seminars, Trade Fairs, etc.
- Monitoring achievement of proposed goals.
- Preparing and submitting semi-annual and annual subcontract reports.
- Coordinating contractor's activities prior to and during conduct of Federal agency compliance reviews.
- Other duties include:

III. EQUITABLE OPPORTUNITIES AND OUTREACH EFFORTS

Describe efforts the Offeror will make to ensure that SB, VOSB, SDVOSB, HSB, SDB, and WOSB concerns will have an equitable opportunity to compete for and secure subcontracts. These efforts may include, but are not limited to, the following activities:

A. Outreach efforts to obtain sources:

1. Contacting minority and small business trade associations;
2. Contacting business development organizations;
3. Attending small and minority business procurement conferences and trade fairs.
4. Requesting sources from the Small Business Administration's Procurement Marketing and Access Network (PRO-Net);
5. Utilizing newspapers and magazine ads to encourage new sources.
6. Other participation in efforts or activities to expand the socioeconomic database for this contract.
7. Utilizing book references, catalogs, source lists, or other reference material to identify SB/VOSB/SDVOSB/HSB/SDB/WOSB sources before the acquisitions are placed by the buying activities.
8. Additional Efforts _____

B. Internal efforts to guide and encourage purchasing personnel:

1. Presenting workshops, seminars, and training programs on requirements of this plan.
2. Establishing, maintaining, and using SB, VOSB, SDVOSB, HSB, SDB, and WOSB source lists, guides, and other data for soliciting subcontracts; and
3. Monitoring activities to evaluate compliance with the subcontracting plan.
4. Additional Efforts _____

IV. SUBCONTRACTING PLAN FLOWDOWN

The contractor agrees to include the provisions under FAR 52.219-8, "Utilization of Small Business Concerns," in all subcontracts that offer further subcontracting opportunities. All subcontractors, except small business concerns, that receive subcontracts in excess of \$500,000 (\$1,000,000 for construction) must adopt and comply with a plan similar to the plan required by FAR 52.219-9 "Small Business Subcontracting Plan" (FAR 19.704). The prime contractor cannot alter this requirement.

V. REPORTS AND SURVEYS

The contractor gives assurance of:

- A. Cooperation in any studies or surveys that may be required by the contracting agency, or the SBA.
- B. Submission of periodic reports which show compliance with the subcontracting plan.
- C. Submission of Standard Form (SF) 294, "Subcontracting Report for Individual Contracts," and SF-295, "Summary Subcontract Report," in accordance with the instructions on the forms.
- D. Ensuring that large business subcontractors with subcontracting plans agree to submit Standard Forms 294 and 295.

<u>Reporting Period</u>	<u>Report Due</u>	<u>Due Date</u>
Oct 1 - Mar 31	SF 294	April 30
Apr 1 - Sep 30	SF 294	Oct 30
Oct 1 - Sep 30	SF 295	Oct 30

Submission of SF 294 and SF 295: SF 294's and SF 295's to be submitted via the Subcontracting Reporting System (SRS). The SRS is found at <http://www.pr.doe.gov/srs/>. The Contractor is required to register with the System. The Contractor shall notify the DOE Contracting Officer upon completion of the SF 294 and SF 295 in the SRS.

VI. RECORDS AND PROCEDURES

The following is a recitation of the types of records and procedures the contractor will maintain to demonstrate compliance with the requirements and goals in the subcontracting plan. These records will include, but are not limited to the following:

- A. If the prime contractor is not using PRO-Net as its source for small, veteran-owned small, service-disabled veteran-owned, HubZone small, small disadvantaged, and women-owned small business concerns, list the names of guides and other data identifying such vendors;
- B. Organizations contacted in an attempt to locate small, veteran-owned small, service-disabled veteran-owned small, HubZone small, small disadvantaged, and women-owned small business sources;
- C. On a contract-by-contract basis, records on each subcontract solicitation resulting in an award of more than \$100,000 indicating whether small, veteran-owned small, service-disabled veteran-owned small, HubZone small, small disadvantaged, or women-owned small business concerns were solicited, and if not, why not; and if applicable, the reason that the award was not made to a small business concern;
- D. Records to support other outreach efforts, e.g., contacts with minority and small business trade associations, attendance at small and minority business procurement conferences and trade fairs;
- E. Records to support internal guidance and encouragement provided to buyers through (1) workshops, seminars, training programs, incentive awards; and (2) monitoring of activities subcontract award data including the name, address, and business size of each subcontractor. (This item is not required on a contract-by-contract basis for company or division-wide commercial plans.)
- F. On a contract-by-contract basis, records to support subcontract award data including the name, address, and the business size of each subcontractor. (This item is not required on a contract-by-contract basis for company or division-wide commercial plans.)
- G. Additional Records:

This subcontracting plan was submitted by:

Signed: _____

Typed Name: _____

Title: _____

Date: _____

Phone No.: _____

PLAN ACCEPTED BY: _____

Contracting Officer

Date: _____

PLAN CONCURRED ON BY: _____

Small and Disadvantaged Business
Utilization Specialist

Date: _____

SECTION L - ATTACHMENT D

KEY PERSONNEL RESUME FORMAT

Name:

Current or Previous U.S. Security Clearances:

Country of Citizenship:

Proposed Position with Offeror:

Duties and Responsibilities in Proposed Position:

Experience:

(Identify employers, position titles, dates of employment, specific duties and responsibilities. Address specific information on the qualifications, experience, and demonstrated performance relevant to the proposed position, including individual leadership qualities.)

Education:

(Identify institution, degree earned, dates)

Professional Development and Achievements:

(Identify professional memberships, special training, professional registrations, etc.)

References: (A minimum of three individuals identified.)

(Name, title, company/organization, address, phone number, fax number, e-mail address.)

SIGNATURE OF INDIVIDUAL and Date.

SECTION L-ATTACHMENT E
PAST PERFORMANCE PACKAGE – OFFEROR PAST PERFORMANCE
REFERENCE INFORMATION WORKSHEET AND
QUESTIONNAIRE

1. Complete Name of Government Agency, Commercial Firm or Other Organization	
2. Complete Address	
3. Contract Number or Other Reference	4. Date of Contract
5. Date work commenced	6. Date work was completed
7. Initial contract price, estimated cost and fee, or target cost and profit	8. Final amount invoiced including profit, final cost and fee
9a. Technical POC (name, title, address, telephone no. and email address)	9b. Contracting POC (name, title, address, telephone no. and email address)
10. Location of work (country, state or province, county, city)	
11. Description of contract work. Describe nature and scope. Attach an explanation of any performance problems or other conflicts with the customer. (Use continuation sheet, if necessary)	

Instructions for Completing the Reference Information Sheet

- Item 1. Insert the complete name and address of the customer, including parent organization, if any. Do not use acronyms.
- Item 2. Insert the customer's complete address, including both post office box and street addresses, if applicable.
- Item 3. Insert any contract number or other contract reference used by the customer.
- Item 4. Insert the date on which the contract came into existence.
- Item 5. Insert the date on which you started to perform the work.
- Item 6. Insert the date on which the customer agreed that the work was satisfactorily completed (including substantial completion), aside from any pending or on-going administrative actions, claims negotiations, or litigation.
- Item 7. Insert the price, estimated cost and fee, or target cost and profit or fee as it appeared in the original contract. If the contract included multiple, separately priced items, add the individual item amounts and insert the total price, estimated cost and fee, or target cost and profit or fee.
- Item 8. Insert the final sum of all invoices, or the sum of all invoices to date, or total cost and fee, including agreed upon and disputed amounts, paid and awaiting payment.
- Item 9a. Insert the name, title, company/agency, address, telephone no., and e-mail address (if available) of the program or project manager, quality assurance representative, or other customer technical representative who is most familiar with the quality of your work under the contract.
- Item 9b. Insert the name, title, company/agency, address, telephone no., and e-mail address (if available) of the contracting officer, purchasing agent, or other customer contracting or purchasing representative who is most familiar with your work under the contract.
- Item 10. Insert the location(s) where the work was performed, including the country (if other than the United States) and the state or province, county (if applicable), and city.
- Item 11. Describe the nature and scope of the work. The objective is to show how the work that you did or are doing is similar in nature and scope to the work that is to be performed under the contract contemplated by the request for proposals. Describe any unusual circumstances of performance or problems that may be relevant to the work that is to be performed. Tell your side of the story of any conflicts with the customer concerning which they may make adverse remarks about your performance. Describe any actions that you have taken or plan to take to correct any shortcomings in your performance.

SECTION L – ATTACHMENT G**PERFORMANCE GUARANTEE AGREEMENT**

For value received, and in consideration of, and in order to induce the United States (the Government) to enter into Contract DE-AC96-03PO92207 for the management and operation of the Strategic Petroleum Reserve (the "Contract") dated _____, by and between the Government and _____ (Contractor), the undersigned, _____ (Guarantor), a corporation incorporated in the State of _____ with its principal place of business at _____ hereby unconditionally guarantees to the Government (a) the full and prompt payment and performance of all obligations, accrued and executory, which Contractor presently or hereafter may have to the Government under the Contract, and (b) the full and prompt payment and performance by Contractor of all other obligations and liabilities of Contractor to the Government, fixed or contingent, due or to become due, direct or indirect, now existing or hereafter and howsoever arising or incurred under the Contract, and (c) Guarantor further agrees to indemnify the Government against any losses the Government may sustain and expenses it may incur as a result of the enforcement or attempted enforcement by the Government of any of its rights and remedies under the Contract, in the event of a default by Contractor thereunder, and/or as a result of the enforcement or attempted enforcement by the Government of any of its rights against Guarantor hereunder.

Guarantor has read and consents to the signing of the Contract. Guarantor further agrees that Contractor shall have the full right, without any notice to or consent from Guarantor, to make any and all modifications or amendments to the Contract without affecting, impairing, or discharging, in whole or in part, the liability of Guarantor hereunder.

Guarantor hereby expressly waives all defenses which might constitute a legal or equitable discharge of a surety or guarantor, and agrees that this Performance Guarantee Agreement shall be valid and unconditionally binding upon Guarantor regardless of (i) the reorganization, merger, or consolidation of Contractor into or with another entity, corporate or otherwise, or the liquidation or dissolution of Contractor, or the sale or other disposition of all or substantially all of the capital stock, business or assets of Contractor to any other person or party, or (ii) the institution of any bankruptcy, reorganization, insolvency, debt agreement, or receivership proceedings by or against Contractor, or adjudication of Contractor as a bankrupt, or (iii) the assertion by the Government against Contractor of any of the Government's rights and remedies provided for under the Contract, including any modifications or amendments thereto, or under any other document(s) or instrument(s) executed by Contractor, or existing in the Government's favor in law, equity, or bankruptcy.

Guarantor further agrees that its liability under this Performance Guarantee Agreement shall be continuing, absolute, primary, and direct, and that the Government shall not be required to pursue any right or remedy it may have against Contractor or other Guarantors under the Contract, or any modifications or amendments thereto, or any other document(s) or instrument(s) executed by Contractor, or otherwise. Guarantor affirms that the Government shall not be required to first commence any action or obtain any judgment against Contractor before enforcing this Performance Guarantee Agreement against Guarantor, and that Guarantor will, upon demand, pay the Government any amount, the payment of which is guaranteed hereunder and the payment of which by Contractor is in default under the Contract or under any other

document(s) or instrument(s) executed by Contractor as aforesaid, and that Guarantor will, upon demand, perform all other obligations of Contractor, the performance of which by Contractor is guaranteed hereunder.

Guarantor agrees to assure that it shall cause this Performance Guarantee Agreement to be unconditionally binding upon any successor(s) to its interests regardless of (i) the reorganization, merger, or consolidation of Guarantor into or with another entity, corporate or otherwise, or the liquidation or dissolution of Guarantor, or the sale or other disposition of all or substantially all of the capital stock, business, or assets of Guarantor to any other person or party, or (ii) the institution of any bankruptcy, reorganization, insolvency, debt agreement, or receivership proceedings by or against Guarantor, or adjudication of Guarantor as a bankrupt.

Guarantor further warrants and represents to the Government that the execution and delivery of this Performance Guarantee Agreement is not in contravention of Guarantor's Articles of Organization, Charter, by-laws, and applicable law; that the execution and delivery of this Performance Guarantee Agreement, and the performance thereof, has been duly authorized by the Guarantor's Board of Directors, Trustees, or any other management board which is required to participate in such decisions; and that the execution, delivery, and performance of this Performance Guarantee Agreement will not result in a breach of, or constitute a default under, any loan agreement, indenture, or contract to which Guarantor is a party or by or under which it is bound.

No express or implied provision, warranty, representation or term of this Performance Guarantee Agreement is intended, or is to be construed, to confer upon any third person(s) any rights or remedies whatsoever, except as expressly provided in this Performance Guarantee Agreement.

In witness thereof, Guarantor has caused this Performance Guarantee Agreement to be executed by its duly authorized officer, and its corporate seal to be affixed hereto on (date)

_____.

NAME OF CORPORATION

NAME AND POSITION OF OFFICIAL
EXECUTING PERFORMANCE
GUARANTEE AGREEMENT ON
BEHALF OF GUARANTOR

ATTESTATION INCLUDING APPLICATION
OF SEAL BY AN OFFICIAL OF
GUARANTOR AUTHORIZED TO AFFIX
CORPORATE SEAL

SECTION L – ATTACHMENT H
INTENTION TO PROPOSE

Complete the following and return VIA E-MAIL to the address below no later than close of business June 28, 2002.

Solicitation Number DE-RP96-02PO92207

____ We do intend to submit an offer.

Name and Address of Firm or Organization (Include Zip Code):

(Include information on significant teaming partners and/or major subcontractors)

Typed or Printed Name and Title: _____

Date: _____

E-Mail To: anne.quern@spr.doe.gov

SECTION L – ATTACHMENT I

Small Disadvantaged Business Participation Program Targets Form**Small Disadvantaged Business (SDB) Participation Program Targets***

Note to Offerors: Targets provided herein will become part of any resulting contract from this solicitation under Section J, Appendix J.

Instructions to Offerors:

The Offeror shall provide written Small Disadvantaged Business Participation Program Targets using the form herein, and in accordance with the instructions found in paragraph (b) of the Section L provision of this solicitation entitled FAR 52.219-24, *Small Disadvantaged Business Participation Program—Targets (OCT 2000)*. SDB “Targets” are SDB participation (prime contractor or subcontractor) in any of the North American Industry Classification System (NAICS) major groups determined by the U.S. Department of Commerce as industries eligible for the 10% price evaluation adjustment. These designated NAICS major groups can be found at:

<http://www.sba.gov/sdb>

SDB targets will be evaluated under criterion M.4 (a), and will become part of the Contract under Section J, Appendix J.

(A) *(List Offeror Name Here - Includes Single Entity, Joint Venture Partners, Teaming Partners, etc.)*

NAICS Code	Description of NAICS Major Group	SDB Dollars	Percentage**
	Subtotal		

(B) Subcontractors

NAICS Code	Description of NAICS Major Group	SDB Dollars	Percentage**
	Subtotal		

(C) Total (A+B)

NAICS Code	Description of NAICS Major Group	SDB Dollars	Percentage**
	Subtotal	***	100.00%
<p>* SDB Participation from industries eligible for the 10% price evaluation adjustment. These designated NAICS major groups can be found at:http://www.census.gov/epcd/www/naics.html/</p> <p>** All percentages shown as a percent of the total target cost + target fee</p> <p>*** Total target cost + target fee = \$ (Offeror insert)</p>			

For information purposes, “targets” as required under this provision and “goals” (under the Small Business Subcontracting Plan) are differentiated as follows:

	Targets	Goals
Applicability	<i>SDB prime contractor \$ & % (including JV partners and teaming members) and SDB subcontractors \$ & % in SIC major groups eligible for 10% price evaluation adjustment</i>	<i>Subcontractor \$ & % with Small, HUBZone Small, Small Disadvantaged, and Women-Owned Small, and Service Disabled Veteran Business</i>
Percentages	% of total contract value	% of Total Subcontracting
Reporting	OF 312 at contract completion	SF 294 and SF 295 at intervals per FAR 52.219-9(j)

PART IV – REPRESENTATIONS AND INSTRUCTIONS

SECTION M

EVALUATION CRITERIA FOR AWARD

SECTION M

EVALUATION CRITERIA FOR AWARD

<u>No.</u>		<u>Page</u>
<u>M.1</u>	<u>EVALUATION OF PROPOSALS</u>	M-1
<u>M.2</u>	<u>BASIS FOR CONTRACT AWARD</u>	M-2
<u>M.3</u>	<u>OVERALL RELATIVE IMPORTANCE OF EVALUATION CRITERIA</u>	M-3
<u>M.4</u>	<u>TECHNICAL AND BUSINESS MANAGEMENT EVALUATION CRITERIA</u>	M-3
<u>M.5</u>	<u>COST EVALUATION CRITERIA</u>	M-6

EVALUATION CRITERIA FOR AWARD**M.1 EVALUATION OF PROPOSALS**

- (a) This acquisition will be conducted pursuant to the policies and procedures in Federal Acquisition Regulation (FAR) Part 15 and Department of Energy Acquisition Regulation (DEAR) Part 915. DOE has established a Source Evaluation Board (SEB) to evaluate the proposals submitted for this acquisition. Proposals will be evaluated by the SEB members in accordance with the procedures contained in FAR Part 15, DEAR Part 915, and the Evaluation Criteria hereinafter described.
- (b) The instructions set forth in Section L are designed to provide guidance to the Offeror concerning the documentation that will be evaluated by the SEB. The Offeror must furnish adequate and specific information in its response. A proposal will be eliminated from further consideration before the initial ratings if the proposal is so grossly and obviously deficient as to be totally unacceptable on its face. For example, a proposal will be deemed unacceptable if it does not represent a reasonable initial effort to address itself to the essential requirements of the RFP, or if it clearly demonstrates that the Offeror does not understand the requirements of the RFP. In the event that a proposal is rejected, a notice will be sent to the Offeror stating the reason(s) that the proposal will not be considered for further evaluation under this solicitation.
- (c) Any exceptions or deviations to the terms and conditions of the resulting contract (see L. 3(b)(3) and L.23) may make the offer unacceptable for award without discussions. If an Offeror proposes exceptions to the terms and conditions of the contract, the Government may make an award without discussions to another Offeror that did not take exception to the terms and conditions of the Contract.
- (d) Prior to an award, the Source Selection Authority shall make a finding whether any possible Organizational Conflict of Interest (OCI) exists with respect to the apparent successful Offeror or whether there is little or no likelihood that such conflict exists. In making this determination, DOE will consider the representation required by Section K of this solicitation. An award will be made if there is no OCI or if any OCI can be appropriately avoided or mitigated.

- (e) DOE may solicit past performance information from available sources, including, but not limited to references and clients identified by the Offeror, and will consider such information in its evaluation. DOE may obtain relevant past performance information from available Federal Government electronic databases or readily available government records including pertinent DOE prime contracts. DOE will review all information submitted, may contact some or all of the contract references provided by the Offeror, and may contact references other than those identified by the Offeror
- (f) A Performance Guarantee Agreement in accordance with the requirements of Section L.19 of this solicitation will be a condition of the award of this contract.
- (g) The Government intends to evaluate proposals and award a contract without discussions with Offerors (except clarifications as described in FAR 15.306(a)). Therefore, the Offeror's initial proposal should contain the Offeror's best terms from a cost or price and technical standpoint. The Government reserves the right to conduct discussions if the Contracting Officer later determines them to be necessary.

M.2 BASIS FOR CONTRACT AWARD

The Government intends to award one contract to the responsible Offeror whose proposal is responsive to the solicitation and is determined to be the best value to the Government. Selection of the best value to the Government will be achieved through a process of evaluating the strengths and weaknesses of each Offeror's proposal in accordance with the evaluation criteria stated in the solicitation. In determining the best value to the government, the Technical and Business Management Evaluation Criteria are significantly more important than the evaluated cost. The Government is more concerned with obtaining a superior technical and business management proposal than making an award at the lowest evaluated cost. However, the Government will not make an award at a price premium it considers disproportionate to the benefits associated with the evaluated superiority of one technical and business management proposal over another. Thus, to the extent that Offerors' technical and business management proposals are evaluated as close or similar in merit, the evaluated cost is more likely to be a determining factor.

M.3 OVERALL RELATIVE IMPORTANCE OF EVALUATION CRITERIA

(a) Technical and Business Management Evaluation Criteria

The Evaluation Criteria and Subcriteria in M.4 will be point scored as described below:

Evaluation Criteria and Subcriteria	Weights
Strategic Management	250
Management and Organization	300
Organization Plan	100
Key Personnel	200
Operations Management	250
Experience and Past Performance	100
Experience	50
Past Performance	50
Transition/Implementation Plans	100
Transition Plan	25
Implementation Plan	75
Total	1000

(b) Cost Evaluation Criteria

The Cost Evaluation Criteria in M.5 will not be point scored and are significantly less important than the Technical and Business Management Evaluation Criteria.

M.4 TECHNICAL AND BUSINESS MANAGEMENT EVALUATION CRITERIA

DOE will evaluate the Offeror's capability to successfully perform the Statement of Work as evidenced by the Offeror's proposal. The individual elements that comprise the following technical and business management evaluation criteria and subcriteria are not listed in order of importance and will not be individually weighted, but rather will be considered as a whole in developing an overall point score for each criterion and subcriterion.

(a) Strategic Management

DOE will evaluate the Offeror's strategic approach to managing the Strategic Petroleum Reserve crude oil storage facilities as well as the offeror's methodology to implement its strategic approach.

In evaluating the Offeror's proposal, DOE will consider: the Offeror's knowledge and understanding of the Strategic Petroleum Reserve mission and related performance expectations; the degree to which the Offeror's proposal provides a comprehensive and realistic management system to achieve contract objectives; the degree to which the Offeror's management approach demonstrates a system of continuous improvement; and the commitment and availability of corporate resources to support efficient and effective contract performance.

In addition, DOE will evaluate the extent to which small business, HUBZone small business, small disadvantaged business, and women-owned small business concerns are included in the Offeror's proposed plan to accomplish projects requirements, including mentor-protégés under mentor-protégé agreements, both in terms of the overall share of the work and the variety and complexity of the work to be performed.

(b) Management and Organization

The Offeror will be evaluated with respect to its proposed Organization Plan and Key Personnel.

1) Organization Plan

DOE will evaluate the Offeror's Organization Plan for its comprehensiveness and reasonableness, its ability to achieve a high level of quality for Strategic Petroleum Reserve operations, how well organizational units will work together, and the appropriateness of the level and line of authority for major operational decisions. The Organization Plan will also be evaluated on the quality of its approach to promoting diversity.

2) Key Personnel

DOE will evaluate the qualifications, experience, demonstrated performance, and leadership of proposed Key Personnel, with special emphasis on the overall manager. Proposed Key Personnel will also be evaluated for their ability to achieve a high level of quality for Strategic Petroleum Reserve operations, ability to meet commitments to customers and adapt to changing requirements. Proposed Key Personnel will also be evaluated for how they reflect the Offeror's approach to promoting diversity.

(c) **Operations Management**

DOE will evaluate the Offeror's approach, including methodology for its deployment, for management of the Strategic Petroleum Reserve facilities.

In evaluating the Offeror's proposal, DOE will consider: the knowledge and understanding of general technical and business management issues for a large petroleum storage facility, including feasibility and reasonableness for achieving a high level of operating efficiency; cost control; the ability to maintain facilities and conduct all aspects of operations in a safe, secure, reliable, and environmentally responsible manner; the ability to manage a large workforce while improving organizational efficiency; the ability to manage operations and maintenance functions to meet program and project requirements, including the application of best practices to improve performance; and the extent to which the offeror identifies realistic actions to reduce the cost of managing and operating the Strategic Petroleum Reserve.

(d) **Experience and Past Performance**

1) Experience

DOE will evaluate each Offeror for its experience over the past three years in managing operations similar to large-scale petroleum operations, including experience in meeting or exceeding ES&H requirements for the operations. In evaluating the Offeror's proposal, DOE will consider: execution of work (with emphasis on large-scale petroleum facility operations) relevant to the Statement of Work in type, duration, scope, complexity, dollar value, and risk; management effectiveness in meeting performance objectives, especially related to ES&H; and corporate support.

2) Past Performance

DOE will evaluate the quality of the Offeror's past performance in managing operations similar to large-scale petroleum operations. DOE will also consider the Offeror's past performance in meeting subcontracting targets, as well as the subcontracting targets proposed by the Offeror in response to this solicitation. The Offeror's past performance in the areas of quality of service, timeliness of performance, cost control, and business relations will also be evaluated.

Subcontractor, and Teaming, and Joint Venture Partner's Past Performance and Experience

For purposes of the experience and past performance evaluation, DOE will evaluate the experience and past performance of the Offeror and its major subcontractors in the areas they will be performing. In the case of a newly formed joint venture, Limited Liability Company, Limited Liability Partnership, or other entity formed for the purpose of competing for this contract, DOE will evaluate the experience and performance of the entities that comprise the newly-formed entity.

(Note: Offerors without a record of relevant past performance, or for whom information on past or present performance is not available, will be evaluated neither favorably nor unfavorably on past performance.)

(e) Transition/Implementation Plans

1) Transition Plan

The Transition Plan will be evaluated with respect to the extent that it provides an orderly transition to its proposed approach, minimizes impacts on continuity of operations, identifies key issues and milestones, mitigates problems that may arise during transition, and removes barriers to an orderly transition.

2) Implementation Plan

The Implementation Plan will be evaluated with respect to comprehensiveness and the likelihood that it will lead to the accomplishment of measurable commitments within the first two fiscal years following the transition period.

M.5 COST EVALUATION CRITERIA

The cost proposal will not be point scored, but will be used in determining the best value to the Government in accordance with M.2 of this solicitation. DOE will perform an analysis of the cost proposal to determine that all items proposed have been included in the cost proposal, and the cost for the transition period and the cost of Key Personnel will be reviewed for cost reasonableness and realism. An unrealistic cost proposal may be evidence of the Offeror's lack of, or poor understanding of, the requirements of the solicitation and thus may adversely affect the Offeror's rating on the Technical and Business Management criteria. Based on its review, DOE will determine a most probable cost to use as the evaluated cost for transition and Key Personnel. The amount that will be used as

the evaluated cost for purposes of the best value determination will be the sum of the proposed maximum available fee for second half of FY 2003 through the first half of FY 2013, the evaluated cost for the transition period, and the evaluated cost of Key Personnel for the first two years of contract performance after the transition period.

Note: Allowability of Executive Compensation is subject to the Federal Statutes as set forth in Section H, Clause H.13 "Advance Understanding on Human Resources".